## China to maintain anti-inflation fight

The World Bank has urged China to stay the course in its inflation fight and has warned of the risks of a painful retrenchment if credit restrictions are eased prematurely.

the arguments of those in the Chinese leadership advocating continued restraint. Page 16

VW may scrap spot welding: Volkswagen is considering progressively scrapping spot welding as a way of joining car body panels in favour of a self-piercing riveting process developed with a small Welsh company. Page 16; Rivet pioneers set sights on car industry, Page 7

Boost for Ciarke: UK chancellor of the exchequer Kenneth Clarke was given a fillip before today's budget with further evidence that the UK economic recovery is continuing. Page 7

teche Bank, one of the main critics of the restructuring plan for Italy's troubled Ferruzzi group, broke ranks with other leading foreign creditors and accepted the proposals. Page 17

**'Super share' opposed:** Fund managers and members of Australia's securities industry are strongly opposed to shares with "super voting s", according to a poll which represents a further blow to the plans of Rupert Murdoch's News Corporation for an issue of shares with enhanced voting rights. Page 17

Sabena, Belgian state carrier, is to strengthen its links with Delta Air Lines of the US, including sharing the Brussels-New York route. Page 17 EU puts forward Bosnia peace plan



Croat president Franjo Tudiman (left) looks at a map of Bosnia at the start of peace talks in Geneva during which European Union foreign ministers put forward their "action plan" to end the war n Bosnia. They vowed not to lift sanctions against Serb-led Yugoslavia until Bosnian Serbs handed over land to their Moslen adversaries, Mr Tudim reportedly gave his support to the EII

New oli lown: Oil prices tested new five-year lows as markets continued to react to last week's decision by the Organisation of Petroleum Exporting Countries not to cut output. Page 32

Threat to Mideast deal: A fortnight before Israel is due to begin pulling troops out of the Gaza Strip and the West Bank's Jericho region, dissident members of the PLO's mainstream Fatah faction threatened to resume the armed struggle, and Israeli and PLO negotiators remained at eads over crucial issues. Page

UK 'tunnel of fear': Three-quarters of UK adults are unlikely to use the Anglo-French Chan nel tunnel, according to a survey which shows that fear is a large element of their hostility towards the service, due to start next year. Page 7

Farm policy attacked: Austria and Finland have attacked the European Commission's propos-als on farm support for prospective members of the European Union. Page 16

Pressure on Japan's carmakers: Japanese carmakers are coming under increasing pressure to consolidate their activities, amid a continuing slide in personal spending at home, the impact of the high ven overseas and the increased competitiveness of US manufacturers the US. Page 4

Escobar family 'sent back': The Bonn government put the family of fugitive Colombian drug baron Pablo Escobar on a flight back to Bogotá from Frankfurt after they had flown there at the weekend in an attempt to find a safe haven in Germany, airport sources said. Worries on trade talks: Diplomats voiced

fears that differences between the US and the European Union could sabotage ambitious plans to liberalise services in the Uruguay Round of trade talks. Page 6; Gatt reports, Page 6

FT statistics: The FT Guide to World Currencies which used to appear on Tuesdays, is now pub-lished in Monday's paper. International economic indicators, which used to appear on Mondays are now in Tuesday's FT. Today they appear

R STOCK MARKET INDIC	23	S STERLIN	<b>Q</b> —
FT-SE 100:2135.8	(+24.4)	New York land	<b>6</b> 3 °
FT-SE Eurotrack 100 .1344.78		Landor , and	(1.48)
FT-A /E-Share1543.27	(+0.7%) (-647.66)	2.5425	(2.5325)
New York Innertime:	1	FF 8,7875 SF 2,22	(8.75)
Dow Junes Ind Ave3,698.78	(+1.70)	Y 1625	
SEP Composite464.78  III US LUNCHTIME RATE	******	8.18 xabrá 2	(81.2)
,		E DOLLAR	
Same Trade Rate Vid Sales		How York Inneh	lipe:
Long Sport 4. 10072		DM 1.71	
Test	1	Fr 5.905 SFr 1.4633	
E LONDON MONEY	(5,2%)	Y 109.3	
3-mo interpork5-1% Life long pil fatter:Dec 118/ <sub>2</sub> (D		London:	
E MORTH SKA OIL (Argon	4	DM 1.7086 FFr 5.805	
	(14.46)		
Brent 15-day (Jan)\$\$14.36	(17.70)	Y 199.25	
■ Gold		Sindex 67.1	(same)
New York Cornex (Dec)\$368.4 London\$371.25	(377.2) (377.0)	Talojo close Y 1	09.29
DAY	l lun	LFitts Color	QR12.00

MDh13 Num45 Nkr18.00 OR1.50 Pags Pags CETAGE STORM CETAGE SERVICE DRIPS SERVICE ETAGE JOHN FREQUE KANNEL World Trade News

World Bank urges | ■ Peace 'a prize worth risks' ■ Documents outline secret contacts

# UK open to Sinn Féin talks

and Tim Coone in Dublin

The British government last night declared it was ready to reopen contacts with Sinn Féin, the political wing of the Irish Republican Army, as hitherto secret documents suggested that the IRA had been on the brink of ending its 25-year campaign of violence in Northern Ireland. Sir Patrick Mayhew, Britain's

Northern Ireland secretary, gave an unapologetic defence of exten-sive secret contacts between the UK and Sinn Féin earlier this year. He said: "Peace, properly

attained, is a prize worth risks". This reinforced the impression in London that Mr John Major, the UK prime minister, believes the IRA might lay down its arms. The optimism was echoed by Mr Albert Reynolds, the Irish prime minister, who said there had already been a marked de-escala-tion of violence in recent weeks.

Papers released by the UK's Northern Ireland Office suggested there had been no large IRA attacks since November 12. Mr Major's office indicated that a declared cessation of violence lasting for two months might provide the background

for formal talks with Sinn Fein. That in turn raised hopes that Mr Major and Mr Reynolds might inject new momentum into the peace process in an Anglo-Irish summit which might still take place as early as Friday,

Sir Patrick's comments came after the startling disclosure that the UK government would have opened a dialogue with Sinn Féin as early as January 1994 if the IRA had kept an apparent pledge in early November to end its campaign. But Britain's account of the messages the two sides exchanged between February and

The conflict is over but we need your advice on how to bring it to a close' FEB 22 1903; message from Provisional IFIA leadership

"We understand and appreciate the seriousness of what has been said. We wish to take it seriously' FEB 26 1903: British message

'We believe the country could be at the point of no return'

government, three days after unionist gurmen killed seven in an Ulster pub

'If a genuine end to violence is brought about within the next few days, a first meeting for exploratory dialogue would take place within a week of parliament's return in January' NOV 5 1999; UK gov't document

ously by Sinn Fein. Mr Martin McGuinness, the leading Sinn Féin member involved in the contacts, accused Mr Major of fabricating some of

the 30 or so pages of documents released in London. Most of the messages conveyed by what the documents refer to as "The Provisional Movement" also suggest that the IRA had not shifted from its position that Mr Major must accept that Ulster will eventually he



Sir Patrick Mayhew (left) in the Commons. In Belfast, Gerry Adams gives his

Secret contacts \_ Page 7

part of a united Ireland. Sir Patrick said that if the IRA ended the violence permanently "the way would still be open for Sinn Fein to enter the political arena". He insisted that the UK government's basic conditions for bringing Sinn Fein into the political process had not changed.

The IRA would have to offer a permanent and demonstrable end to terrorism and the British goverament would not drop its con-stitutional guarantee of the state from the state tus of sections. The state person sended by Sing Peter.

paign and enter into a "prelimi-nary dialogue" in January 1994. Sir Patrick said the offer had been in response to an explicit

and to violence failed, the UK call the meaning that the uk was in the most revealing document released by the UK, dated November 5, sets out detailed arrangements under which the uk would halt its increase.

ing To hostilities.

It to a few that a declaration of the tion of violence could be been kept private.

The many would then he ready to months, Both offers appear to show considerably than mr Malor than mushic.

crisis: cut capacity or end state aid? By David Gardner in Brussel

EU airline

France and the UK will today set out widely opposing views on how the European Union should respond to the financial crisis in Europe's airlines. Paris will call for capacity-sharing and an KU-backed plan to reduce capac-ity, while London will insist on an end to state aid.

Both members are due to present papers at a ministerial debate in Brussels preparing the ground for a report due in Janu-ary on the future of the airline

industry. . As losses among Europe's flag carriers grow, pressure is increasing to roll back some of the deregulation measures put in place over the past seven years.

The European Commission is firmly opposing any return to the old cartel structure of European air transport, with carriers colluding on setting fares and

sharing passenger loads.
- But Brussels still has to adjudicate on a queue of membe government requests to inject finance into national airlines. including Air France.

The French paper says Europe is in danger of losing control over the airline industry in "a downward spiral of lower fares and aver-increasing losses" over Ecu3.5bn (\$4bn) on international business alone in the past three years.

European carriers have seen

their share of international air traffic fall from \$8.8-per cent in 1972 to 32.2 per cent last year. The number of Hights using French airports increased by 54 per cent in 1987-92; but pass ger numbers rose by only 33 per cent. The percentage of total capacity filled by sirlines – the load factors – fell from 64 to 5 per cent over the same mate the French paper se capacity-tially below a sirlines and a

Paris thall air traffic fees. in the short term, France is seeking an EU-wide crisis plan to speed up the pace at which older aircraft are taken out of service. "The Council of Ministers (of the

## Bank lenders to probe Euro Disney finances

Euro Disney's bank lenders plan gative audit of the troubled lelsure group's finances to prepare for negotiations leading to an emergency financial restructur-

Walt Disney, the US entertainment company that owns 49 per cent of Euro Disney, presented its assessment of the company's finances this month to the 60 international banks within the lending syndicate. Tha banks

Audit will pave way for emergency restructuring a single feet to create a single feet to committee, to be led by the ENP or Indosues.

our own numbers. The team is expected to be named in Paris this week. The banks hope the audit will be completed before Christmas so they

can start intensive discussions early next year with Euro Disney and its US parent. now want to appoint their own team of investigative auditors.

"It's not that we have any doubts about the accuracy of Disney's figures," said one senior banker in the syndicate. "But the condition of Euro Disney has changed so dramatically since we first negotiated our loans (in the

restructuring package which could also involve a rights issue. Euro Disney desperately needs

to restructure its finances. It has been badly affected by the Euro-pean recession and recently announced a net loss of FFr5.3bn (\$900m) for the year to September 3. There are fears that the group could face a cash crisis early pyear, but Walt Disney is sw 51. ing it financially until 100 per-

The Disney camp rexchange suade the banks fr20.3bn net

EuroDisneyland Heme path

The secon syndicate, with langue the 30 bead, Banque the 30 banks that pro-The final composition of the package, however, will be influ-enced by the value of Euro Dishotels. Some banks are members ney's shares, which have fally But the banks are steeply in recent week from

recovered yester-oil. S.
FF30.30 to finish the include
The banks resduer Bank.
Crédit Agri dank of Tokyo and
Crédit cank, are now close of
Mides a single stopping commiswith the Disney camp. At present the banks are

divided into two main groups.
Ona syndicate, led by Banque
Nationale de Paris, represents
the 39 institutions that helped to

## roughly half # Share plurse fails to prompt Japan se government action

The sined a cool stance yester-Ty after share prices fell to the lowest level for a year because of gloom over the coalition's reluctance to offer an economic growth initiative.

The Nikkei 225 average fell by 1,000 points at one stage, recover ing slightly to end at 16,078.71, down 647.66 points or 3.9 per cent. That left the average 24 per cent below its mid-September high for the year. Yen bonds rose to a six-year high as investors sought an alternative haven for

Mr Morihiro Hosokawa, the prime minister, said the government was planning no mes to support share prices, in contrast to the previous Liberal Democratic party government, which poured public cash into the market early this year in a temporarily successful attempt to

lift prices. "Supply and demand are up to the market, so we will continue to monitor it," said Mr Hosokawa.

Senior finance ministry and central bank officials admitted they were worried about the fall to share prices but planned no rect action.

disposal, political, fiscal and tax, to help the economy," said Mr Masayoshi Takemura, chief cabinet secretary. "The level of stock prices is not something the gov-ernment should act on directly." Last week's string of poor banking results and mounting bad debts were factors in the share price fall. There was also growing disappointment that the government has not yet specified a date or amount for an income tax cut, widely believed to be the only way to stimulate depressed

is divided on how to fund an

er spending. The coalition

"This is one of those very rare times when monetary policy is not working," said Mr Richard Koo, senior economist at Nomura Research Institute, referring to Japan's record low interest rates. "Now it is time for fiscal policy to

On average Japanese compa-nies reported a 23 per cent decline in pre-tax profits for the six months to September and expect profits to fall by 22 per cent in the full year to next March, the Wako Research Institute of Economics said.

An increasing number of companies are cutting jobs or pay to cope, providing another drag on growth. Half Japanese manufacturers cut overtime, hired fewer people or reallocated staff in the three months to September, up from 40 per cent in the previous quarter, said the Labour Ministry.

Markets, Section II

#### income tax cut. CONTENTS White Street. int. Cap Hits. Int. Companie ing Road Service Brurses. Managed Funds ...

WHEN WE INVES A COMPANY WE'RE NOT IN RESTED IN ITS WARTH

will continue, meanwith that des leave to be presented to

n L debt.

**ONLY YOURS** 

For more than thirty years Gresham Trust has been investing in management rather than just figures on av

If we're convinced that you have the ability, commitment and track record, we'll back our judgement whether you're raising £1m or £10m.

And because you're the customer we think you should decide if and when it's time to sell - an approach that ensures you remain in control of your own destiny at all times.

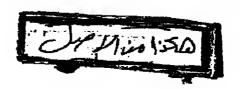
Whether you require equity capital for a management buy-out or for your company's expansion, call Trevor Jones or a member of his team on 071-606 6474. You'll find they're well worth talking to.

RESHAMETRU

EQUITY CAPITAL FOR MANAGEMENT Gresham Trust p.L.c., Barrington House, Gresham Street London ECZV 7HE.

© THE FINANCIAL TIMES LIMITED 1993 No 32,231 Week No 48

LONDON - PARIS - FRANKFURT - NEW YORK - TOKYO



## nightmare troubles Hurd

Mr Dougias Hurd, Britain's foreign secretary, yesterday criticised what he called the 'nightmare" scenario of a European superstate, and declared he was confident that Europe was at an end.

Speaking in Bologna, Italy, in his first important speech on Europe since the German constitutional court ratified the Maastricht treaty last month, Mr Hurd insisted that the principle of subsidiarity should now be the touchstone

for the European Union.
"Subsidiarity is not only about rolling back the frontiers of the Community, where these have advanced beyond common sense; it also means moving forward with a lightness of touch," Mr Hurd said in comments which resonated with the British government's relief that the pace of European inte-gration had faltered in recent

Legislation was a key area where the powers of Europe should be trimmed, since EU legislation had now become so intrusive and extensive that it risked devaluing the EU's rep-utation, Mr Hurd said. He insisted Community legislation should be introduced only when it would do the "least possible violence" to national

Foreign policy and employ-ment law had to remain firmly in the domain of sovereign gov-

The narrowness of Maastricht ratification in Denmark, France, Britain and Germany served as a clear warning that sharing of sovereignty and centralising tendency, has for the time being run its course". he said, citing labour costs and trade barriers as the key challenges now facing Europe

#### Moldova brings in new currency

Moldova yesterday broke away from the Russian rouble zone and introduced its own currency, the leu, as the centrepiece of the government's new sbock therapy reform programme, writes Jill Barshay in

Armoured trucks yesterday distributed 70m lel te Mol-ava's 4.3m citizens, who are immi-to change up to 70,000 converted interim currency.

in the confused period be ing up to the leu's introduction, the coupon has fallen dramatically on Kishinev's currency exchange auction, at which 11 banks that trade about \$500,000 each week determine the Moldovan currency's exchange rate. The rate is currently 3,850 coupons or 3.85 lei

THIS BABY

FOR CHRISTMAS!

ADOPT A DOLPHIN IN THE WILD FOR JUST £12.50 AND SHARE IN THE SECRETS OF ITS UNDERWATER WORLD.

## Superstate | Spain angered by Belgian action over terrorist suspects

## EU row blocks progress on asylum import tariffs

Hopes that the European Union would speed up its faltering steps towards a common policy on asylum for non-EU nationals were blocked by a row about asylum for alleged Basque terrorists in Belgium. Spain placed a general reserve on nine pieces of the

asylum policy jigsaw. It argued angrily that Belgium's decision to consider two wanted members of the Basque separatist organisation Eta as possibly eligible for refugee status

states in each other's judicial institutions to proceed to a broader common policy.

The two suspects are wanted on suspicion of providing infrastructure for a separatist commando unit. They were arrested in Brussels in June, but lawyers acting for them have applied to Belgium's com-missioner for refugees, who is and has yet to pronounce. The Dutch were also unable

to agree on the asylum proposals, because almost alone

obliged to inform their for "political infractions"; the national parliament on the secretive deliberations of EU interior ministers. Justice ministers, meeting

for the first time yesterday as a formal EU council of ministers following the entry into force of the Maastricht treaty, did agree to seek a common approach to extradition which would effectively rule out any future political defence for criminal action inside the EU. But, for the moment, 11 member states are signed up to a separate Council of Europe convention which does allow

exception, ironically, is Belgium, which can not sign the convention because it retains the death penalty, although without applying it.

Ministers got further entangied yesterday when Spain also placed a reserve on setting up Europol, the EU criminal intelligence unit which last month's summit of the 12

Spain has no disagreement on the substance of either the Europol or asylum proposals.

number of official EU languages to be used by the new European trade marks office from hine to five Grench, English, German, Italian and Spanish). This is holding up the establishment of the trade marks processing operation, which was allocated to All-

cante, in Spain. The Europol problem risks hindering the operations of a drugs unit set up earlier this year to develop a combined European strategy against nar-

## Belgium wants stronger role for EMI

European Union yesterday called for a stronger role for the European monetary insti-tute in the co-ordination of monetary policies and the management of the exchange

Mr Philippe Maystadt, Bel-

Romanian

new strike

union members yesterday threatened to launch a general

strike and demanded the resig-

nation of the government in

the second large union action

in 10 days. Two of Romania's largest

union confederations, called

out thousands of members in Bucharest and other large towns in protest at an inade-quate minimum wage, paem-

ployment, corruption, the gov-

ernment's lack of a programme

to relaunch the economy and

its failure to achieve a dialogue

Central bank officials said

the increased labour militarcy was "ominous" and wained that further pay increases would fuel already spiralling

inflation. The statistics com-

with the unions.

unions in

wider finctuation bands last summer made closer co-operation imperative. Without significant qualitative improvement" in this area, the goal of monetary union by the decade's end could be at risk. In a speech to the European Finance Convention in Brussels. Mr Maystadt also admit-

than the original 1997. He offered several prop in the wake of the August crisis which led to the introduction of 15 per cent fluctuation bands for ERM currencies.

The EMI should be given "an explicit role" in deci leading to the entry or realignment of an ERM corrency.

mon intermediate targe which case the EMI might be allowed to issue joint statements on national policy decisions taken by central banks in this low-inflation zone. The ERM should strengthened, possibly

nonetary policies. The Belgian presidency is worried that kinn stage two could be a dead letter without

rate losses arising from open-ended interventions. This is a response to Bundesbank criticism that its obligations to defend other currencies was undermining its domestic

Russia restores on some foods

eriffs on a range of imported foodstuffs next month, Mr Yegor Gaidar, the first deputy prime minister, said yesterday. Mr Gaidar said the tariffs would be low - but the move is a finther sign of an increasing bendency on behalf of the government, including reformist leaders like Mr Gaidar, to protect Russian industry from foreign competition at a time when the demands of industrial lobbies are being pushed

Mr Gaidar, as head of the Russia's Choice political group, is particularly vulnerable to calls for protection – having already promised the commer-cial banks relief from competithan from foreign entrants to the Russian banking market. A gathering of business lead-ers in the Enterprises for a New Russia group which sup-ports the Party of Russian Unity and Agreement, yester-day called for further protection for the fledgling private businesses – and for a relief from taxes which, the group's leaders said, sometimes surpassed the level of profits.

Mr Geldar said that "with a responsible majority" in parlia-

nt, inflation could quickly be brought down to around 15 per cent a mouth from its pres-ent levels of more than 20 per At the same time, the budget

this year, which it had been hoped would be contained to Rbs5,500bn is set to grow to more than Rbs10,000bn, according to Mr Oleg Soskovets. another first deputy prime minister. Part of the increase, he said, was because of miners threatening to strike over unpaid wages, and to make good the debts of enterprises. The cabinet is now showing considerable signs of disarray, as ministers – who have become leading figures in competing political group - find themselves unable to keep

their differences out of the business of government. Two leading ministers - Mr Boris Fyodorov, the deputy prime minister for finance, and Mr Alexander Shokhin, deputy prime minister for foreign eco-nomic relations, are clashing over which of them now has responsibility for talks on debt end on relations with the international financial institutions such as the International Monetary Fund and the World

The latest opinion poll for the election, from the All-Russia Centre for Research into Public Opinion, suggests Rus-sia's Choice has a strong lead Yabloko bloc of Mr Grigory Yavlinsky at 17.9 per cent, the Communist party on 6.6 per cent, the Democratic party on 6.4 per cent, and the remaining nine parties far behind.

## Kohl's party tries to avoid state poll

By Judy Dempsey in Berlin

Chancellor Helmut Kohl's governing Christian Democrats will try to prevent; an early. election in the eastern state of Saxony Anhalt after a financial scandal precipitated the resignation of the entire government at the weekend.

Elections are not due until next June as part of a mara-thon of federal and state elections being held against a background of declining sup-port for the established politiparticularly in eastern

Germany. Instead, the CDU, in an attempt to limit the political damage, has nominated Mr Christoph Bergner to replace Mr Werner Münch, the outgoing prime minister of Saxony Anhalt, and form a new gov ernment

The state andit office had last week confirmed that Mr Munch and three other west German ministers together paid themselves in excess of DM900,000 (\$532,500) over a



A German-registered car turns back after trying to cross the border at Nieuwe Schans in the northern Netherlands, German farmers angry over imports of Dutch pork and lost incomes blockaded the frontier with thousands of tractors yesterday

## Polish sell-off runners under starter's orders Christophez Bobinski on the privatisation scheme

year gestatra-me has sur-move into the final, three-labour. Today is the dea-to for the accounts of the dea-to

move into the limit three-labour. Today is the dealto for the acceptance of blds from would be managers of 15-20 national investment funds (Nifs) which are being created to manage batches of 30 Polish medium-sized Polish industry, which is still in profit, out of the state sector and under coordinate to manage management both for the market values their efforts.

The main to all Poles for a will also be hand of the funds them later on Warsa rather the market values their efforts.

Desuite long delays caused

A SUPERS ADOPTION PACK

petent management, both foreign and domestic. The foreign managers are expected to make the companies invelved more credible and thus ease

the task of raising capital to complement and facilitate their restructuring. The managers' task will be to enhance the Nifs' value. They will be paid an annual performance fee, in equity

Despite long delays caused by frequent changes of govern-ment and skirmishes with opponents, privatisation — which sims to sell around 600 companies in one go - is simi-lar to that put forward in 1991 by the then privatisation minister, Mr Janusz Lewandowski and advisers SG Warburg. Part of the reason why even the new centre-left government is pressing ahead with the

scheme is the firm backing given by the World Bank from the very beginning. The bank has made implementation a condition for drawing several tranches of a \$450m loan. It also reflects awareness, shared by Mr Wieslaw Kaczmarek, the my Mr Wieslaw Kaczmarek, the privatisation minister, is say a scheme's introduction test of the west as a litmus privatisation commitment to of putting Nh home, the act hands of ordinarys into the as a way of reconcing seem who have grown increasers suspicious of privatisation is who can now he seem to be who can now he seen to be

The new government, like its predecessors, is also looking to the European Bank for Reconstruction and Development to provide around \$400m in loans to the companies involved. Other potential lenders in the government's sights are the European Investment Bank, the International Finance Corporation and the World Bank. Other aid bodies, including the UK government's "Know-how Fund" have already provided vital technical assistance.
The authorities say that

around 50 consortia are "prewaring to apply to manage the Wa But they will not reveal interes already declared an include Most groups will

as an investment bank or con-sultants working together with -local banks and consulting companies as well as account-

ing firms and lawyers. A 19-person selection committee appointed by the prime minister, parliament and the trade unions will sift the applications and produce a list of applicants in order of merit with whom the privatisation minister will then negotiate final terms.

At the moment a list of 367 state sector companies is ready for inclusion in the scheme and new tranches are being prepared. The selection com-mittee, which is being reap-pointed by the new prime minister, Mr Waldemar Pawlak, is expected to finish its work expected to finish its work early in the new year. The funds should be up and running several months after that.

DENMARK Financial Times (Scandinavia) Ltd. Vinincistated 42A, DE-1161 CopenhagenK, Telephone 33 13 44 41, Fax 33 93 53 35.

Published by The Financial Times (Burope) GrabH, Nibelungsuplatz 3, 60318 Frankfurt am Main, Germany, Telephone 9-499 69 156 820, Fax +449 69 156 820, Fax +449 69 56 820, Fax +449 69 56 820, Fax +449 69 56 820, Fax +449 69 596 8481; Telex 416193, Represented by Edward Hugo, Manuging Director. Frinter: DVM Druck-Vertrieb und Manketing GmbH, Admiral-Rosendahl-Strasse 3a, 63263 Nesi-Isenburg (owned by Hirriyet International). Responsible Biltor: Richard Lambert, c/o The Financial Times (Europe) Limited, Number One Southwark Bridge, London Sel 9HL, UK. Sharcholders of the Financial Times (Europe) GmbH are: The Financial Times (Europe) Lid, London and F.T. (Germany Advertising) Ltd, London, Sharcholder of the Shove mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London SEI 9HL. The Company is incorporated under the laws of England and Wales, Chairman: D.C.M. Bell.

FRANCE
Publishing Director: J. Roftey, 163 Rue
de Rivoli, F-75044 Paris Cedox Ol. Telephone (01) 4297-0621, Fax (01)
4297-0629, Printer: S.A. Nord Eclair,
15/21 Rue de Caire, F-59100 Roubaix
Cedex I. Editor: Richard Lambert.
ISSN: 15SN 1148-2753. Commission
Paritaire No 67808D.

## getting a small part of indus-try, free of charge, for them-Kleinwort hopes stamina will bring big dividends

Anthony Robinson profiles one of the bidders

he investment management division of Kleinwort Benson, the London-based luvestment bank, will be one of the foreign institutions bidding for a mandate to manage ene of the new funds. For Mr David Glasgow, the director who heads the bank's Polish operations, the bid represents the culmination of a commitment to the mass privatisation scheme which began in October 1990 and to which the bank has stayed faithful despite many setbacks and delays.
"We looked at the scheme

and we liked it. It is clever, low risk and structured in a way which made it possible to sell to our board. It also fits into our global interest in joint venture deals in emerging markets," he says.

Part of the determination to stay the course stems from Kleinwort's conviction that it has found the ideal partner in the Polish Development Bank, a young private sector bank voted the country's best carlier this year by Gazeta Han-

dlowy economic newspaper. Having chosen a partner the Kleinwert team then spent much of last year "kicking the tyres" of 17 of the 180 companies then on offer for management by the putative funds. "We were encouraged because we found that although most of them were in a 'cash-gridlock' they were surviving, even though in some cases that meant just paying their staff and saying 'no' to the government's tax demands. What surprised us most

skills," Mr Glasgow adds. Kleinwort is one of at least eight UK-based groups who were initially interested in taking a 10-year management role, even though the pay-off in regard to the capital gains on their end-of-term equity share-out remain difficult to quantify with any precision. Mr Glasgow believes that only five UK groups have stayed the course, along with Italian, Swiss, French, a few German

favourably was the quality of management and the level of

The fund managers eventu-ally chosen by the Polish authorities will not be able to authorities will not be able to cherry-pick the companies of their choice. They will end up with a mixed bag after an elaborate numbers game designed to ensure that all funds are a mixture of almost sure-fire winners and assorted

The funds will put in management resources, but you don't have to invest millions to get a pay-off", according to Mr Glasgow who has set up a management team staffed largely by bilingual Anglo-

Having been in on the scheme from the start, Kleinwort and other potential foreign participents were able to get several modifications to the original plan accepted by the Polish side. Most important was the change to closedend rather than open funds, so enhancing the possibility of substantial capital gains for those who most successfully manage the assets shortly to come under their control

Mu. A Walwyn Capital Inc.,
one of Canada's larger financial services organizations
serving both the individual and institutional investor,
is pleased to announce the opening of its Geneva office.

38, rue du Marche 1211 Geneva 3 Switzerland

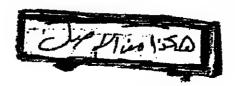
M. Claude Oberson Rudolf Grisiger Marin Le Corre

Tel. 022 310 47 10 Fax 022 310 47 07



THE BLUE CHIP THINKING Is a tradement of Midland Walton Capital Inc.

Finently and intelligent, dolphins have always had a special affinity with man. But they are also threatened in their natural habitats. By adopting a dolphin today, you can join a unique project to protect the beautiful brotherase dolphins of Morthera Sortians. A SUPER® ADOPTION PACK.
We'll send you delarls and a
photograph of your dotphin, an
adoption certificate, a window
sticker, and Echo, the Adopt a
Dolphin newsletter. Echo wall bring
you news of your dolphin's
activates, along with dolphin lacts
and exclusive pictures. Created by the Whale and Secome a friend of the Dolphins (£30), and you'll also receive a beautiful colour print of dolphins Dolphia Conservation Society it will provide you or a friend with a Swimming in the wild. CHOOSE YOUR DOUPHINS: 🔲 I pro está la adapt a dráftas en e grit. SERCI NOW YOR YOUR ADDITION PACE Little admine 170 Freed of the Dopplers, £30 (Freeds.)



# 'action plan' for Bosnia

European Union foreign ministers yesterday put for-ward their "action plan" to end the war in Bosnia, vowing not to lift sanctions against Serbled Yugoslavia until Bosnian Serbs handed over land to their Moslem adversaries.

Despite threats by KU ministers to suspend relief operations in Bosnia this spring if the warring sides fail to endorse a settlement dividing the republic into three ethnic mini-states, the leaders of the three communities yester-day appeared to remain far from agreement.

The Serbian president, Mr Slobodan Milosevic, and his Bosnian Serb proxy, Mr Radodemands for the immediate suspension of United Nations sanctions before the Serbs made any territorial conces-

Mr Alija Izetbegovic, the Bosnian president, said the mainly Moslem republic must receive additional land from the Serbs and access to Adriatic ports

from the Croats. Mr Douglas Hurd, British foreign secretary, yesterday said sanctions would remain in place until the Serbs fulfilled their pledges to hand over land in Bosnia. "The first move has to come from the Serbs' offer of additional withdrawal, once that offer had been implemented, and there was a ceasefire, and the aid was flowing freely, then we, the Europeans, would think that the Security

Council should consider suspending sanctions," he said during the first all-party talks since the collapse of the peace

However, in a defiant speech Mr Milosevic slammed the EU for doing "enormous harm" to his country. A statement from the Bel-

gian EU presidency outlined the "action plan", which also called on Croat leaders to fulfil their pledge for concessions on ports and on the Bosnian gov-ernment to stick to its territorial demands of 3-4 per cent. The Croatian prestdent, Mr Franjo Tudjman, and Mr Mate Boban, the Bosnian Croat support for the EU plan at the Geneva session, also attended by Moslem and Croat military leaders but boycotted by Bos-nian Serb commander Ratko

Mrs Sadako Ogata, UN high commissioner for refugees, accused all three leaders of reneging on their pledge of 11 days ago to allow the free access of humanitarian aid to some 3m people in Bosnia.

sponsored Bosnian peace pro-posals will continue in Rome today as EU foreign ministers, together with their US and Russian counterparts, join foreign ministers from the former communist states in a broader review of European and central Asian security issues at a meeting of the Conference of Security and Co-operation in Europe (CSCE), Anthony Rob-

# EU presents |In search of fiscal wisdom for old age

Hugo Dixon on pensions policy in a world of ageing populations and big deficits

cent of average earnings, is-

age. This saves money by cut-ting the number receiving pen-sions and governments hope it

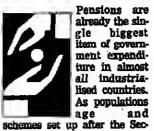
could reverse the trend towards earlier retirement in most countries Japan has

raised its pension age from 60

to 65. The US has chosen 67, though this will not come fully into effect for more than 30

into effect for more than 30 years. Germany and Italy are also gradually increasing their pension ages to 65. Other countries pian similar action.

It more stadical reforms is to abilit transcribes to private provision at pendions. It is possible to achieve this by allowing state, pensions to wither and relying ou people to get the message that they need to save for their refirement. Alternatively governments care promote private pensions through



Pensions are already the single biggest item of government expenditure in almost lised countries. As populations

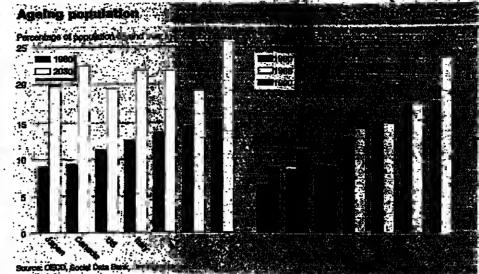
ond World War mature, state an ever-increasing share of an ational hydroxy national budgets. On current trends, they will exceed spending on health care and education combined within the next

These bald facts explain why most governments are considering revamping their pension systems. Without change, there are fears that ballooning pension budgets will become unsustainable. The next generation of workers may not be willing to pay the higher taxes or social security contributions that will be needed when the

retires.
Politicians are reluctant to risk the electoral consequences of cutting back people's pen-sions. They also have little incentive to take painful deci-sions whose full benefits will only become apparent long after they have left office.

The policy questions sur rounding pensions are complex. Pension policy has a powerful impact on the wider economy. In particular, it can affect retirement ages, savings and investment, the competitiveness of industry and job

Governments started to reform their pension systems in the 1980s. Japan, whose demographic crisis came early, curbed the generosity of its state scheme and raised the



government, driven mainly by an ideological belief in the superiority of private pensions, gave employees tax incentives to opt out of its state earning-

lations are not ageing as rap-idly and their state achienes are less generous, in part because of the greater role of

Politicians have little incentive to take painful long-term decisions, the full benefits of which will only become apparent after they have left office

promoted personal pensions. Continental European counand Italy face the greatest pressure to change, partly because of the speed with which their populations are ageing (see chart). But their pensions are also especially generous, typi-cally more than half final sala-

intense in Anglo-Saxon coun-

related pensions scheme and promoted personal pensions. The main response of governments faced with such pressures has been to curb the generosity of their state pensions schemes, while keeping their basic structure intact. They

 Cutting the growth in benefits. The US has several times frozen benefits. The UK, which. used to link pensions to averearnings, now uprates

by compelling people to save istrative fees.

for their old age.

This means No industrialised country has made a wholesale switch. though Chile has done so by-

would be less need to raise have in future to finance the pensions of the growing number of old people. Entimelasts also grow that, by saving for their pensions, today a workers would channel larger sams of money into productive invest-ment so boosting long run eco-

nomic growth. But private pensions do nothing to curb public spending in the short run, as those who have already retired still have to rely on taxpayers for their pensions. Moreover, they impose a greater financial burden on today's workers who have to save for their own penslong as well as paying taxes for the pensions of those who

have retired.
Advocates of private pensions point to their greater flexibility. Instead of contribution rates and pension ages being fixed by governments, individuals are able to choose how much to save and when to retire - though this is less so with occupational schemes

than personal pensions.

Backers of state provision point out how successful it has been in reducing poverty in old sige. Private pensions, they are not well suited to stacking poverty because they cannot easily redistribute money from the rich to the poor. If people had to save for their retirement, the unemployed, women who stayed at home and those on low incomes would suffer. Large chunks of their savings could also be swallowed up in admin-

This means that complete withdrawal of the state from pension provision is unlikely to be socially acceptable in most countries.

However, the state might reduce its commitment by guaranteeing a basic income for all old people, leaving additional saving to individual level, the cost could be high. If a low level was chosen, many pensioners could still face pov-

rty. An alternative is to target the state pension on those most in need, while giving nothing to those who have accumulated decent private pensions. But the danger is that people would have no incentive to save for their retirement. In Australia where state pensions are means-tested an increasing proportion of retired people qualifies because they ensure their wealth is invested in ways that

Compulsory saving would negate the choice and flexibility associated with private properspective, state-mandated contributions to private peusions might not look so different from taxes or social secu-

rity contributions.
As short-term budget strains and long-term demographic pressures grow, governments are increasingly finding inac-tion is not an option. Whether by choice or force of circumstance, a shift from state to private pensions is probably inevitable.

This is the seventh article on welfare states around the world.

## Ruhrkohle move on four-day week production

By Ariane Gentilard in Bonn

Ruhrkohle, Germany's largest coal producer, is to discuss a proposal from IG Berghau und Energy (IGBE), the mining industry trade union, for the introduction of a four-day working week in forthcoming talks with union representa-

The union is boping a sborter working week will avold massive lay-offs facing the recession-bit industry. Ruhrkohle, which produces 80 per cent of Germany's bard coal, is due to axe 6,000 jobs in coming months.

The redundancies come on top of 20,000 jobs which must be eliminated between 1991

The move follows an agreement struck last week between the IG Metali engineering

union and Volkswagen which will introduce a 28.8-hour week and lower wages in order to

save up to 30,000 jobs, Mr Hans Berger, president of IGBE, said the proposal from his union could save up to 10,000 jobs in the mining industry.
The union is also offering

pay cuts of 5 per cent in the talks which will take place in two weeks, much lower than Volkswagen's proposed 20 per cent reductions.

However, officials in German coal mining groups warned at the weekend that the shorter week could only be a transitional measure to overcome the crisis hitting the domestic coal mining industry.

Unsold stocks have been piling up at coal mining compa-nles as orders from steelmakers have plunged this year.

## More falls in German steel

West German steelmakers said production of hot-strip steel would fall by 15 per cent in the fourth quarter of 1993, com-pared with the same period. last year, because of continued ssed demand, the German steel association satd

The reduction is higher than in hot-strip output for the

had been anticipated, reflecting dire market conditions, a spokesman from the whole year will amount to 12

plained that the failure of the European Commission to reach a European-wide agreement on reducing over-capacity in steel markets would lead to drastic consequences in the recession

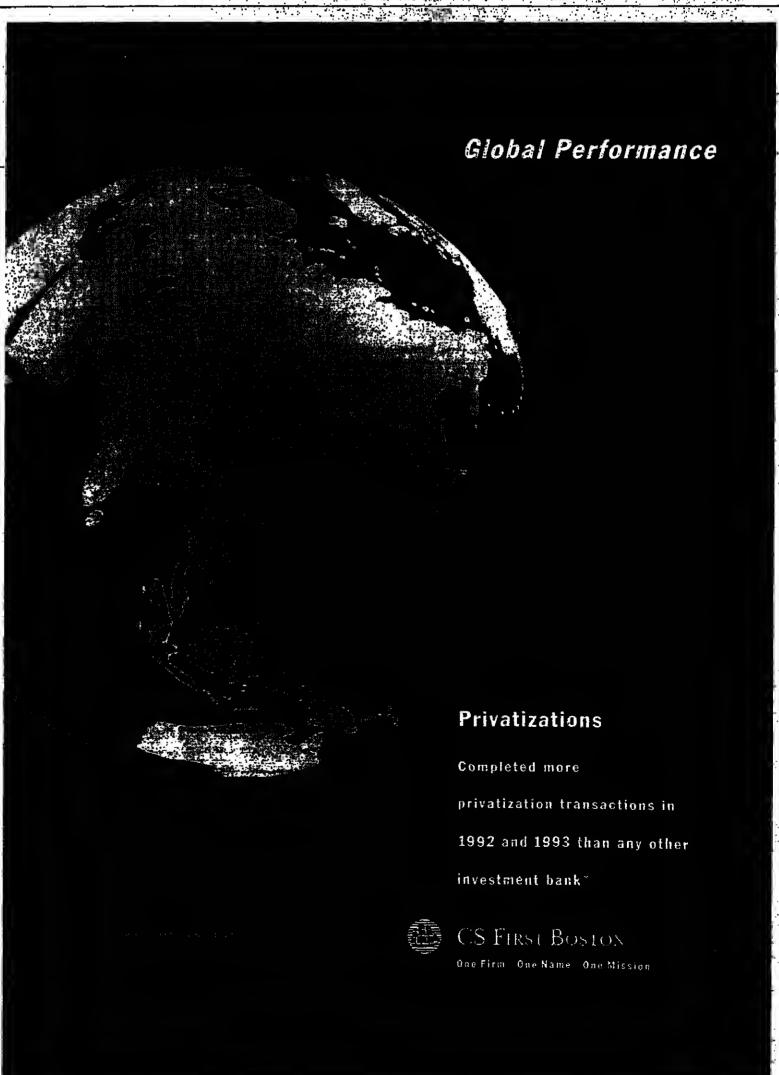
#### **INDEPENDENT NATIONAL RADIO:** ADVERTISEMENT OF LICENCE

The Radio Authority invites applications to provide a third Independent National Radio (INR) service, to be broadcast on the AM (medium wave) band, the greater part of which should consist in the broadcasting of spoken material, and which must cater for tastes and interests different from those catered for by the two existing INR licensees. Classic FM and Virgin 1215. The licence specification document includes guidance to applicants on how these requirements should be met. The service will be expected to cover, in daylight hours, at least 90% of the UK population.

This licence is advertised under the terms of the Broadcasting Act 1990. It will be awarded, subject to the other requirements of the Act being satisfied, to the applicant offering the highest cash bid for the licence. In addition to the cash bid and the Authority's licence fee, the licensee will be required to make a payment of four per cent of qualifying revenue per financial year. The licence will be granted for a maximum period of eight years from the commencement of broadcasting.

A specification document containing all particulars, including programming requirements, details of transmission arrangements and coverage, financial requirements and information about the application procedure, may be obtained, on written request, from the Chief Executive, The Radio Authority, Holbrook House, 14 Great Queen Street, London, WC2B 5DG.

The closing-date for the submission of completed applications will be Tuesday, 15 March, 1994. A non-refundable application fee of £10,000 must accompany each application.





## NZ politics enters period of turmoil

New Zealand'e two main political parties have each entered a period of turmoil. Prospects of a political realignment have increased, following the general election earlier this month which saw the rightwing National party hang on to power by a one-seat majority. Mr David Lange, the former

Labour party prime minister, said last night that an acrimonious brawl over the continued leadership of Mr Mike Moore, his successor, could wreck the party. The battle erupted within days of Mr Moore proclaiming that he had resurrected the party's fortunes by nearly winning the election.

Many see the struggle as the first in a series of party wrangles which will prompt members of the two main parties to form new political groups. Politicians are seeking to take advantage of the introduction for the next election of the German proportional representation system, which favours the rather than the Westminsterstyle two-party system which New Zealand has had for much of the past 133 years.

Divisions also exist within the National party amid speculation that a new hard-right party might be formed. Ms



She has said she will not hesitate to vote against the government if it puts ber economic policies at risk. The new finance minister,

Within New Zealand Mr Birch was considered the most powerful minister in the previous administration, not Ms Ricbardson, whose power ebbed after the government was forced to backtrack on some

Mr Birch was the architect of many reforms introduced over the past three years including the Employment Contracts Act which has effectively broken the power of the unions and trated changes in insurance and health to link them more closely to market forces. The struggle within Labour between Ms Helen Clark, a left-

leaning academic, and Mr. Moore, a former trade unionist, has divided the party into two roughly equal factions. About half apparently want to follow Ms Clark, Mr Lange and others into turning Labour back to a centre-left group which is already pledging to raise taxes to help the under-privileged. Aligned against them are Labour MPs who supported economic reforms, as well as Maori MPs and a number of working-class Labour MPs. In a letter of support for Ms

Clark, who is standing against Mr Moore in tomorrow's caucus vote for leadership, Mr Lange accused Mr Moore of campaigning as if the Labour party was his own property. "He'd rather see the party

a new leader," he said.

The left wing argues that the party must refocus on its roots in order to survive under the roportional voting system: Mr Lange and others say the party must abandon the centrist approach favoured by Mr Moore of "being all things to all men". Mr Lange said on television last night that Labour could never govern on

## Negotiators at loggerheads China-UK

## Israel pact on autonomy under threat

By David Horovitz

Share prices in Hong Kong fell sharply vesterday as investors reacted to the apparent breakdown in Anglo-Chinese co-operation over the ferrito-ry's political future. in Jerusalem A fortnight before Israel is due to begin pulling troops out of the Geza Strip and the West Bank's Jericho region, dissi-Hong Kong's politicians called on Governor Chris Patten to give a full account of the talks when he appears dent members of the PLO's before the Legislative Council mainstream Fatah faction (LegCo) on Thursday. : threatened yesterday to The Hang Seng index, the blue chip barometer of inves-tor confidence, ended down resume the armed struggle, and Israeli and PLO negotia-tors remained at loggerheads over a number of crucial

261.65 points, or 2.82 per cent, at 9,012.77. Traders attributed the fall to concerns about an Mr Yitzhak Rabin, prime minister, said that while he still hoped all autonomy aggressive reaction by China as Mr Patten proceeds toward tabling his democracy legisla-tion without Beijing's consent. arrangements would be final-sed in time for the December 13 start of the troop with-drawal, he did not intend to However, they said that unless China was prepared to sacrifice Hong Kong's eco-nomic well-being for political give ground merely to ease the

negotiating process. He said israel needed satisfactory understandings on gains, other factors would prove more important. Mr Adrian Faure, head of research at Baring Securities, said: security for Jewish settlers and for other Israelis travelling on There are two things that main roads of the occupied territories, on the precise Jericho matter: interest rates and the Chinese economy. The rest of boundaries and on control of the autonomous areas' exter

nal borders. It would be better

The Pakistani government yesterday acknowledged that

government borrowings from the central bank had increased

rapidly this year, but said it

hoped the trend would change

credit raised from non-bank

borrowing and an increased

flow of external commercial

The former government of

Mr Moeen Qureshi, the care-taker prime minister, had set a target of Rs20bn (\$660m) for

official borrowings for the

whole year, down from last

year's Richba. However, dur-ing its three months in office

his government borrowed

Rs28bn, while the new govern-

ment of Ms Benazir Bhutto has

borrowed another Rs5bn, with

The borrowings have raised

fresh concern that the govern-

ment may not meet its crucial

economic targets, notably reducing the federal budgetary

deficit. Pakistan hopes to nego-tiate. IMF and World Bank

bank credits.

by next month, with new

Assurance over

Pakistan credit \*

ditions.

to 5.4 per cent.

it is largely irrelevant."
Mr Richard Witts, managing director of United Mok Ying Kie, u local brokerage, said: "It doesn't really matter what Mr Patten does; it is how

rift cuts

prices

**HK** share

By Simon Davies and Simon

Holberton in Hong Kong.

China reacts to it." Exactly a year ago, China first threatened to damage Hong Kong's economy in retal-iation for Mr Patien publici-ing his democracy plans. It questioned the Hong Kong government's right to develop the colony's next container terminal - the contract is still a matter of dispute.

Beijing limited itself to blaming Britain for the lack of progress in the 17th round of talks; which ended in the Chinese capital on Saturday; Britain offered an 18th round of talks but the two sides did not set a date.

Mr Jimmy McGregor, an elected member of LegCo, yes-terday urged Mr Patten to push ahead with the first stage of his legislative programme. After these measures have "First pushed he should then seek to engage Beijing in talks about the more difficult issues

dividing the two, he said. Mr Tam Ylachung, a pro-Beijing legislator, said it was worrying that the UK and China had not given a date for future talks. He said if Mr Patbill, the talks would break

down irrevocably.

Peter Wise adds from Lisbon: China said yesterday Britain was entirely to blame for the breakdown in talks. Mr Wu Jianmin, a Foreign Ministry spokesman, said Beijing was deeply disappointed by the col-lapse of the 17th round of negotiations and that "the responsibility lies solely with the British side," but declined to elaborate.

Mr Wn was speaking during a state visit to Portugal by Chinese President Jiang Zemin for talks on the transfer of Macao to Chinese rule two years after Beijing takes over Hong Kong in 1997.

difficulties had been raised over the transfer of Macao and good relations between the two would ensure the territories' prosperity and stability, he said.

would guarantee "e clear " misunderstandings in the implementation".

Delegates from Israel and the Palestine Liberation Organisation resumed their autonomy talks in Cairo yesterday.

Mr Nabil Sha'ath, chief PLO negotiator, said there had been progress on the demand for release of the 10,000 Palestinians prisoners held in Israell ails. But he said that "the Israelis are really not moving on the issues that separate us. . . There is the threat that Israel will not withdraw on

December 13".
In the occopied territories there were signs of growing impatience at the lack of progress. On Sunday night, undercover troops shot dead a member of the Fatah Hawks in

a Geza refugee camp.

About 5,000 people attended. members of the Hawks distribmted 'leaflets announcing' a return to the gun. Shots were tions and three army bases.

loans worth almost \$1.5bn

within the next three months, and reducing the deficit would

be one of the most critical con-

Last year's deficit reached

7.5 per cent of gross domestic

product, against a target of 5.5

per cent. Islamabad is trying to

bring this year's deficit down

Mr V A Jafarey, the prime

minister's adviser on finance

and the de facto finance minis-

ter, said in an interview yester-

day: "It is true that we have inherited e large increase in borrowings from the State

Bank", the central bank. How-

ever, he hoped that the borrow-

ings would start coming down

within the next three weeks,

once the government was able

to raise fresh funds through

officially becked sevings

Some officials expect further

improvements in the country's

ing months, with a recent

recovery in the foreign

exchange reserves to some

\$300m, up from around \$180m

schemes, bonds and external

mercial bank loans.

## ustralian trade meets forecasts

By Nikki Talt in Sydney

Exports from Australia fell 3 per cent last month, but an even sharper 4 per cent decline in imports left the current account deficit roughly in line with market expectations.

The country registered a seasonally adjusted current account delicit of A\$1.257bn (US\$810m) in October, up according to latest official figures. Analysts expressed no surprise at the exports fall; the September figure had been boosted by a high level of gold

sales, and the merchandise exports - at A\$5.475bn - remains the second highest on record. The fall in imports, down A\$217m to

A\$5.317bn, was also partly explained by the timing of transport equipment deliveries. The seasonally adjusted balance of trade stood at A\$158m, up A\$48m on the September

Although the data was generally viewed as encouraging, the Australian dollar came under pressure, with Japanese selling blamed. BIS Shrapnel, the economic forecasting firm, also

warned that long-term problems may be building up, given the low levels of

"By the end of 1995, strong growth and supply constraints will produce a surge in imports and a deterioration in the current account deficit to some A\$23bn by the end of that year," it

 Opposition parties tried to capitalise on tension between the Australian government and Malaysia over remarks made by Mr Paul Keating, the prime minister, at the recent Apec conference.

Mr Alexander Downer, opposition treasury spokesman, said that the prime minister should apologise over his comments about Dr Mahathir Mohamad, the Malaysian prime minister. He said that Mr Keating's description of Dr Mahathir as a recalcitrant for not attending the Asia-Pacific summit was putting export trade with Malaysia in doubt.

The opposition's call followed a move by Malaysia at the weekend to ban Australian-made television programmes and advertisements in protest at Mr.

## Iranian aircraft

An unidentified Iranian yesterday hijacked a government aircraft with 38 people on board during a domestic flight in Iran then surrendered after reports from Nicosia.

hijacked

The Iraqi news agency, INA. said the male hijacker gave himself up six hours after the twin-prop Fokker Friendship F-27, owned by Iran's Oil Ministry, landed in the Iraqi port

It did not say whether the hijacker was armed, or if any of the passengers were hurt in the ordeal. INA also did not say what the hijacker's demands were, except that he requested asylum in Iraq or any other country.

The hijacker's wife and five

children were with him on the flight, INA said.

The agency said the aircraft landed in Basra following a request by Iranian authorities. lran's official news agency, IRNA, said Iranian officials had requested that iraq refuse to provide ground services for

## Japan's carmakers seek alliances

CHANGES TO INDUSTRIAL STRUCTURE SEEN AS KEY TO GROWTH

trial Structure Council, an advisory board

to the Ministry of International Trade and

in a report released yesterday, the coun-cit - whose members include leading

industrialists, such as Mr Aklo Morita,

chairman of Sony, labour leaders and aca-

demics - recommends Japan carry out

substantial upgrading of the social infra-

structure to stimulate domestic demand.

implement deregulation to create new

Japanese carmakers are coming under increasing pressure to consolidate their activities, amid a continuing slide in personal spending at home, the impact of the high yen over which the company has not seas and the increased compet. sold to its competitors in the turers in the US, Japan's higgest export market.

In a deal revealed vesterday. Honda has agreed to supply Mitsubishi Motor with drive shafts for use in front-wheeldrive Mitsubishi cars. Neither company would reveal the volume or value involved. The deal reflects a growing trend for Japanese carmakers

to seek alliances with each

Macroeconomic structural adjustment

combined with microeconomic reforms

would lift growth in Japan hy about 0.6

per cent and reduce current account sur-

pins to around 1.5 per cent of gross

national product, a government advisory council says, Michiyo Nakamoto reports. Fallure to change industry's structure

would leave the economy unable to

"hreak out of the current impasse to achieve stable growth", warns the indus-

make more efficient use of facilities and survive the down-Honda will benefit from the

economies of scale provided by e big buyer for its drive shafts, will be able to reduce its development costs.

The deal also indicates that the environment faced by Japanese car makers has become so tough that standard cost reductions by companies are in many cases not sufficient to enable them to survive the downturn. Statistics yesterday ebowed

other in a bid to reduce costs. last month suffered the largest meet lower demand. Mazda year-on-year fall ou record. Automotive exports in October, including parts, were down 25 per cent in unit terms, according to the Japan Automobile Manufacturers' Association. In value, exports were

> down nearly 10 per cent. exports to countries of the European Union, which were down 42 per cent in the ninth consecutive year-on-yeer decline. Exports to the US and Asia feil 21 per cent. In the domestic mar-ket, vehicle unit sales fell 9.5

per cent. Carmakers have been struggling to reduce costs and adjust production levels to

closed its fectories yesterday Tor the second time this month to adjust inventories. Isuzu said it aimed to reduce its seasonal workers by 1,000, or 50 per cent, in e year.

Most car makers have also been standardising e large ponents in an attempt to reduce costs, in Honda's new Accord model, for example, 50 per cent of the components are the same as those used in the previous model:

Earlier this year, Honda and Isuzu began providing each other with cars to supplement their ranges. Isuzu and Mazda also have an agreement to pro-

industriat fields and combat husiness

Adopting each measures would take

real economic growth rate to about 3.2 per cent in the years to 2000, instead of the 2.6 per cent or less expected if no

action is taken; the council predicts Japan's current account surplus as n per-

centage of GNP would remain at a level

that would continue to create friction

practices which restrain competition.

## Steep rise in China pay

Foreign companies operating in China are facing steep rises in local labour costs, according to a survey, writes Alexander Nicoll, Asia Editor. The Wyatt Company, a US-

based consulting firm, says salaries of Chinese nationals working for foreign ventures have risen 22 per cent this cent increase in 1992. Foreign managers in Beijing

have reported it is increasingly difficult to keep good Chines staff because newly established enterprises lure them away with high salaries. Inflation is also a factor.

But salary levels are still low by western standards. A manager working for a foreign representative office earns about \$7,800 a year including allow-ances, while a manager in a joint venture earns \$3,000.

## JRD Tata: symbol of the Indian spirit of enterprise

By Stafan Wagstyl in New Delhi

Mr JRD Tata, the urbane industrialist who headed Tata, India's largest commercial grouping, for more than 50 years and was a symbol of his country's entrepre-neurial spirit, died yesterday aged

Tributes flowed into Tata's Bom-

bay headquarters, including a mes-

sage from President Shankar Dayai Sharma, who said Mr Tata would "elways be remembered for his patriotic services" in many fields.

Jehangir Ratanji Dadabhai Tata,
the son of an Indian father and a French mother, was born in Paris in 1904 into one of India's wealthiest families. He made full use of the opportunities offered by his privilaged life: businessman, pioneer aviator, and champion of many causes ranging from India's nuclear development to population control. He piloted aircraft until well past 80, skied until he was 85 ond retained his seat on the board of Tata Sons. the group's core company, until his

Ha spoke French bettar than English and both better than any Indian language, yet he devoted his life to India. He stayed out of politics, but he often criticised India's socialist programme, an approach

which cost Tata companies dear when it came to securing government investment approvals.
Flying was Mr Tata's passion. As

a boy in France he watched Louis Bieriot's earliest flights. In 1925, he became one of the first Indians to secure a commercial pilot'e licence. In 1932, he founded Tata Air Services, a forerunner of Air India, the national flag carrier, and piloted its maiden flight. After the nationalisation of aviation in 1953, Mr Tata was made Air india's honorary chairman - a post he retained until 1978, when he was sacked by a government lealous of his influence. Mr Tata later said it was his life's big-

Mr Tata's business career began at 21 after be completed military service in France. Mr Tata wanted to go to Cambridge, but his father told him to move to India to join Tata as an unpaid apprentice in the group's steel business. A year later, Mr Tata's father died and Mr Tata inherited his seat on the Tata Sons board, in 1938, the chairman died and, at the age of 34, Mr Tata was

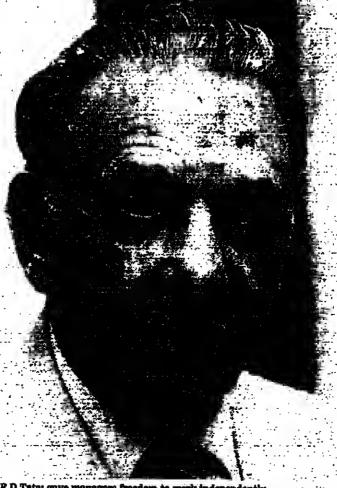
chosen to succeed him. Mr Tata ruled with a light hand and gave managers freedom to work independently. Just as Mr Tata pursued aviation, other executives expanded the group's interests in

hotels and many other industries. As the group's sales rose to their current annual total of over \$4.5bn (£3.04bn), so investments became acreasingly diverse.
Until the late-1970s, Mr Tata's

charisms held the group together But in the 1980s, the group began to look increasingly incoherent, with its ageing managers often too busy guarding their own fieldoms to respond to commercial challenges Mr Tata was criticised for retaining to power for too long. In 1991 he finally handed over the chairmanship of Tata Sons to his cousin, Mr Ratan Tata.

Mr Tata gave much time to causes of national interest. In 1945, he set up the Tata Institute of Fundamental Research, a pioneer of India's nuclear programme. In the early 1950s, he was one of the first advocates of population control - an issue over which he quarrelled with Jawaharlal Nehru, who believed a large population made for a powerful country. In 1992, Mr Tata received the United Nations Popula-

Mr Tata, who had no children but is survived by his wife, died in a hospital in Geneva, where he had gone for a holiday and for medical



JRD Tata: gave managers freedom to work independently

## Industrialists urge economic reform

Indian industrialists have urged the government to put economic reform-back to the top of the political agenda following the ruling Congress (I) party's partial success in this month's state elections.
Industry leaders believe Congress

has done well enough in the polls, for which vote-counting started at the weekend, to have taken the steam out of demands from the Bharatiya Janata party, the militant Hindu opposition, for an early general election. Businessmen now expect parliament to run its full term to 1996, giving Prime Minister PV Narasimha Rao and colleagues time to press on with reform.

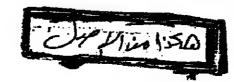
"I hope the next 21/2 years will be assigned only to economic reforms," said Mr S K Bhargava, chief execu-tive of Eicher, an engineering group Mr K N Memani, president of the Federation of Indian Exporter Organisations, said the results should give Congress enough comfort to go ahead with reform.

In Bombay, stockbrokers expected the results to give a further boost to the stock market, where prices have risen by an average of 23 per cent in the past three weeks, as measured by the Bombay Stock Exchange's index of leading stocks. The market was closed yesterday for a religious after 40 years of central rule.

their biggest rally since last year's scandal in the interbank securities market triggered a prolonged

The elections are a delayed consequence of the storming of the Ayodhya mosque last year by militant Hindus. Soon after the sacking, the BJP-controlled assemblies in four northern states – Uttar Pradesh, Himachal Pradesh, Rajasthan and Madhya Pradesh - were suspended by the central government for alleg-edly supporting the mosque'e destruction. The elections were for new assemblies for these states and in two others – the city of Delhi and the small north-eastern state of

In the states where counting began et the weekend, Congress has won Himachal Pradesh and won enough seats in Rajasthan to rob the BJP of an outright majority, though the BJP may still form a government with support from independents. In Uttar Pradesh, the BJP has lost its majority and control is likely to pass to an anti-BJP coalition led by Mr Mulayam Singh Yadav, head of the Samajwadi party, a populist grouping repre-senting lower castes. The BJP has swept control of Delhi, where elections were held for the first time



# sharp rise in budget deficit

By Bernard Simon in Toronto

Canada'e budget deficit will be almost 40 per cent higher in the current fiscal year than previous estimates, Mr Paul Martin, the finance minister, said yesterday.

Blaming a combination of over-optimistic forecasts by the previous Progressive Conservative government, e burgeoning underground economy and unexpectedly large tax refunds, Mr Martin said that the shortfall for the year to March 31 was now projected at C\$44bn-C\$46bn (£22.3bn-£23.3bn). The Conservatives last

spring forecast e deficit of C\$32.6bn for this fiscal year. "We are going to have to restore control over the nation's finances," Mr Martin said. The new Liberal government last month revised the estimate for the 1992-93 deficit

upwards from C\$35.5hn to The revised forecasts, which were widely leaked last week, had a limited impact on financial markets yesterday. By midday, the Canadian dollar had lost about a third of a cent

source of concern to foreign investors. Standard & Poor's, the rating agency, last week downgraded Ontario's credit

Mr Martin's strategy for containing the deficit will emerge in his first budget, due to be tabled early next year. But he reaffirmed yesterday the Lib-eral election campaign pledge to hring the budget deficit down to 3 per cent of gross down to 3 per cent of gross domestic prodoct by 1996-97 from 5.9 per cent last year. He added however, that achieving this target "will not be easy, to say the least."

One economist said he was

encouraged by signals that the Liberals plan to overhaul the hudget-making process and seek a more co-operative opproach in fiscal policy between Ottawa and the prov-

The Conservatives consistently failed to meet their delicit-reduction targets during their nine years in office. The hudget estimates made earlier this year were based on a 1993 growth rate of 29 per cent, ris-ing to 4.6 per cent in 1994. These forecasts have now been The size of Canadian federal scaled back to 2.5 per cent and and provincial budget deficits 3 per cent respectively.

# Canada sees | Mr Continuity set to succeed Salinas

he atmosphere at the headquarters of Mexico's ruling party on Sunday night was jubilant; Mr Luis Donaldo Colosio, the former party leader and favourite of the rank and file, had defeated his rivals to be declared the nominee to succeed President Carlos Salinas next year.

While erstwhile competitors for the nomination may have higher intellectual reputations, none enjoyed Mr . Colosio's broad party support, his mix of technical and political skills, nor, above all, had they shown such unwavering loyalty to Mr Salinas's economic and political goals.

in the end such qualities won the 43-year-old social development minister the pres-idential nomination, which is traditionally in the gift of the ontgoing president. With the Institutional Revolutionary Party in power for the last 64 consecutive years, and more popular than six years ago, Mr Colosio is overwhelming favourite to become president after the election next August.

"Mr Colosio is known by all of us and we will work for him," said Mr Mario Ruiz, municipal president from Naucalpan, in the state of Mexico, one of the thousands of PRI supporters who had come to pay their respects to Mr Colo-



line as Salinas because his is a project over generations." Mr Colosio's total fidelity to

His long experience in govern-ment has given few cities of how he would lead the country the current president and reti-"It is e huge mystery what he believes in," said one miniscence in public about his own ideas have raised questions about whether he has the indeterial colleague from e rival pendence of mind to lead

Merico into the next century. The minister, like others argued that Mr Colosio's lack of enemies indicated that he was afraid of making dough decisions. Some question Ms. Colosio's record in govern Colosio's record in govern-ment, which over the last year has consisted mainly irrepetid-ing a lot of money on positio

works projects.

But in his acceptance speech on Sunday night, Mr Colosio fild give some cities as to how he would govern Mexico. He abought endorsed Mr Salinas's fromarket economic policies:

The seen the speal cost of least policies, and the seen the speal of hope from continuous policies, he said. Discipling in public lineance has bone never to leave again. issue never to leave again."

Colosio pleaged himself

mas a minimation of Mr Sali-nas a mini-poverty programme, which he said would become the backbone of the new government. Many have criticised the programme, including pri-vately, at least one cabinet member, as too centralised around the president and aspensive to political rather Han social development needs.
It is the greatest change from Mr.
Salinas may lie in Mr. Colosio's attitude to the capital and the regions. Mr. Salinas's economic revolution has been top-down revolution has been top-down and highly centralised. Governocs who have fallen out of favour have been dismissed and states given almost no power to raise their own money

Mr Colosto is from the acricultural north of Mexico, from a small village, Magdale Kino in Soutes, not far from the border with Arizons. He is thought to find Mexico City and its domination of Mexico stiffing and unhealthy. He said

in a recent interview that were he elected president he would give more independence to state governors and perhaps allow them to raise property taxes. He said he would encourage them to deregulate the state economies as had been done at federal level.

Like the other leading members of Mr Salinas's cabinet, Mr Colosio is a US-trained technocrat - he has a graduate degree in regional development and orban economics from the University of Pennsylvania. Unlike them he has held elective office, having been both a

deputy and e senator.

He started working with Mr Salinas in 1979 in the budget ministry and has been e close colleague since. As head of the PRI he presided over the party's first ever defeats in governor elections, which he pres-ented as victories for democracy, and a convincing win in federal elections for local deputies described as a vindication of Mr Salmas's eco-

nomic reforms.
Since last year he has been in charge of the social development ministry where he has bad a multi-billion dollar budget to reduce poverty, improve the environment and build houses and other infrastrucfure projects. The spending has helped him-solidity political alliances across the country, and gave him a seat on the economic cabinet.

## \* Religious test for Supreme Court

The US Supreme Court yesterday accepted for judgment next year a controversial case which appears to cut to the heart of the US constitutional division between church and state.

The case concerns the establishment in 1989 by the New York State legislature of a spe-cial school district in Orange County, 40 miles from New York city, catering to the needs of the disabled children of an Hasidic Jewish sect which makes up most of the population of a local village.

Most of the children attend private religious schools but about 220 physically handicapped children were taught at a local state school, flowever, parents withdrew them on the grounds that their les-

ate a special district.
This was challenged by the state board of education on the grounds that government thus violated the constitutional separation of church and state State courts upheld this argument, but lawyers for the Hasidic sect, backed by the New York attorney general, Mr Robert Abrams, petitioned the Supreme Court for a review.

The relevant Supreme Court ruling appears to be its 1971 jndgment (Lemon vs Kurtzman) against government laws and practices which advance or promote religion or entangle government in religious

Mr Abrams's brief maintains the creation of a special school district had no wider impact accommodating the needs of e

## sons were incompatible with their strict religious beliefs, gious people."

**Democrats drop lawsuit** 

The Democratic party in New Jersey has dropped its lawsuit seeking to invalidate this month's election to pick the state's new governor, in which Mrs Christine Todd Whitman, the Republican candidate, defeated incumbent Governor Jim Florio, reports George Craham from Washington.

The suit had been filed after Mr Ed Rollins, Mrs Whitman's campaign manager, said the campaign had paid black preachers to stop their congregations from voting.

Mr Rollins later said under oath that be had made this up to taunt Mr James Carville, who managed Mr Florio's campaign. New Jersey Democratic leaders concinded that they could not prove the Republicans paid to suppress black votes.

## **Honduras poll** win for Liberal

By Edward Orlebar in Tegucigalpa

Mr Carlos Roberto Reina of the centre-right Liberal party has ousted the National party in a landslide presideotial election victory in Honduras. With 80 per cent of the vote

counted, according to the national electoral tribunal, he was leading his chief rival Mr Oswaldo Ramos of the govern-ing conservative National party by 52 per cent to 41 per cent, the largest margin since civilian government was

The Liberal party was also expected to secure majorities in congress and the municipalities from Sunday's vote.

Mr Reina, an urbane 67 yearold former president of the Inter-American Court of Human Rights, sald as he claimed victory that he would implement a "moral revolution" in public service.

He has promised to attack rampant government corruption, and reform partisan state institutions, including the judiciary and the national electoral tribunal which organises elec-

According to e political analyst close to the Liberals, Mr Reina's chances of implementing the reforms will depend on how quickly and effectively he can create his own team and marginalise traditional party

Despite accusations from Mr

Ramos that he was a commu-nist, Mr Reina, who takes office in January, has said he will continue to honour Honduras's \$3.6bn foreign debt, and the structural adjustment programme with the Washington-based international financial institutions. He said he would, however, add a "human face" to the programme -which may be difficult in the

face of declining foreign aid.

The plan was implemented in 1990 by President Rafael Callejas of the National party, who renegotiated foreign debt and paid some \$600m in arrears, began a privatisation programme, and liberalised the economy.

Although the economy has stabilised this year and the government is predicting 6 per cent growth, rising prices of basic foodstuffs, a swift devaluation of the lempira, plus an increase in poverty, produced a "punishment vote" against the National party, say observers. The country of 5.5m people has some of the poorest social

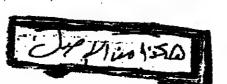
indicators in the Americas. Despite a growth in non-traditional exports, including shrimp and melons, it remains captive to the volatile prices of coffee and bananas, which account for almost two-thirds

of exports. One central challenge for Mr Reina will be to reform the Honduran army, the dominant political force in recent



«I LOSE MONEY IF MY TRUCK DOESN'T START. SO I USE SHELL ADVANCED DIESEL,»

Deniel Reichen's juggerneut has to cope with every extreme of weather ecross Europe. He keepe going through Arctic winters with Street Advanced Diesel. Its unique formulation will not wax even et temperaturee of -15°C. And the whole year round it improvee his fuel consumption and decreases emissions. As you can see, this eli makes Deniel very heppy. (Take it from our competitors, you wouldn't want to see him when he's engry.)



## Fears grow over services liberalisation



With just two weeks of nego tiating time left before the round ends in mid-December, divisions between the two biggest traders over financial services, ocean-going shipping and audio-visual services seem

as intractable as ever. Negotiators say failure to resolve any one of these issues would almost certainly lead to that sector being pulled off the table, with the risk that the others would follow.

"We might end up having no deal at all in services", one senior trade official warned yesterday, as US and EC services negotiators converged on Geneva in an effort to make crucial meeting in Brussels between Sir Leon Brittan, EU trade commissioner, and Mr Mickey Kantor, US trade repre-

Mr Lawrence Summers, US treasury undersecretary for international affairs, and Mr Rufus Yerza, US deputy trade representative, yesterday met Mr Peter Sutherland, head of the General Agreement on Tariffs and Trade, and key trading partners, including the EU, to explain Washingtoo's controversial plan for two-tier access

to the US financial market. The proposal, which has aroused a storm of protest from Gatt members, would distinguish between countries

Washington's judgment, made adequate market opening offers of their own. While all countries would be given equal access to the present US market, only those with adequate offers would be able to benefit from future liberalisation.

The EU has already said the two-tier idea is unacceptable, and a number of developing countries have threatened to take their own financial services offers off the table, the exact reverse of what the US hoped to achieve.

US officials stressed yester day the alternative to the twotier approach could be a move to pull the entire sector out of the Uruguay Round accord, leaving access to the US mar-

eral bargaining.
The US financial services industry, once a prime mover in the round, now says the offers by Japan and some other East Asian and Latin American nations are too poor to justify opening the US market equally to all comers, as the draft services agreement

In the maritime sector, the US is holding firm in refusing to include ocean-going shiption offer. EU officials, say this sector is of vital importance for members Denmark and Greece, and they may be obliged to pull audiovisual services out of the agreement if deep-sea shipping is excluded.

The Commission is hoping to secure ministerial approval on Thursday for its stance on audio-visual services, such as films and television programmes, which would keep the sector within the services accord but with important

These restrictions, certain to opposed hy Washington, include exemption of audiovisual services from the gen-eral requirement to negotiate

Total revenues

Operating result

Earnings per ordinary share

Prospects: Fortis stands by forecast

Fortis: a united force in financial services

actively exploiting new apportunities.

AGGODD MONV ANEV

are the two plinted companies of Fortis





Gatt chief Peter Sutherland (top) and US deputy trade representative Enfus Yerxa: trying to thrash

## Pressure mounts on Taiwan over tariffs

The US last week formally asked Taiwan to lower tariffs on 2,800 products and to reduce its protection for other prod-ucts, before being accepted into membership of the Gen-

Mr Mickey Kantor, the US Trade Representative, tabled the list of US demands with Gatt a week after the Asian-Pacific symmit, where the US made no visible gains with China on trade in fact, deter-mined wooing of Taiwan's rival by President Bill Clinton seemed to yield little in the political and military facets of

the bilateral relationship.

Mr Kantor asserted that the tabling "should advance the accession process in Geneva" for Taiwan. China has made known it will not tolerate

The US wish-list for Taiwan formulated after "substan tial consultation with the broad tange of US private secnies hoping to sell into the

nation of import hans, quotas od other non-tariff restrictions - mostly on farm products - which Gett prohibits.

US exports to Taiwan are expected to reach \$16.9bm by the end of this year. According to the US trade agency, fulfilment of the US request alone would slice the average tariff in Taiwan by more than half and open major new areas of the market to US goods.

Complaints have been made about market access

Other Gatt members are expected to make similar ext several months. A Gatt working party estab ed to move Taiwan into the global trading club has comlained about restrictive mar-

bilateral deals with the US. It raised questions about Taiwan's allegedly discriminaory import tariff structure. ensome import licensing

tory government procurement practices and investment barriers in the services sector.

Taiwanese trade officials say their country has made progress in reducing protection. Its nominal industrial tariff was reduced from 24.4 per cent in 1986 to 6.5 per cent in 1992. Tariffs for farm goods were reduced from 34.8 per cent to

21.6 per cent.

Mr Kantor's office said it expected negotiations with Taiwan "on the full range of subject areas such as services and intellectual property which will be within the Gatt's purview as a result of the Uru-

gnay Round".

After years of knocking at the door, Gatt accepted Taiwan's request for negotiations for membership in September 1992. Taiwan offered to join as a developed nation but said "certain industries" would still require protection. In the negotiations, it is expected to reduce its tariff and other import barriers to the same level of protection maintained and to match concessions offered by current Gatt members in the Uruguay Round. Gatt is now considering 13

# Paris call to boost

France wants the European Union to come to a quick other unfair trade practices, as insurance against the US agreeing to submit itself to tougher multilateral disciplines to a new world trade

Mr Alain Juppé, foreign minister, said in an interview with Les Echos, the French business daily, that this issue would fig-

"patents on life" - is less easily disposed of. The draft

We wish to share with the Germans the same vision, a non-protectionist vision, but at free market without any rules of the game," he said.

the EU to reinforce its commer cial defences do not necessarily bode ill for an overall Gatt Indeed, to the extent that

Increased French calls for

France gets concessions on this issue it will need fewer

## COMPROMISE OFFER BEFORE GATT DEADLINE

Japan may partially lift rice ban dumping defences ger of Japan being blamed for the failure of the talks if it

By Emiko Terazono in Tokyo

will present compromise offer to partially lift its ban on rice imports to its trade partners under the Uruguay Round of multilateral trade talks early next month, government officials said yes-

After weeks of public denial that Japan and the US have been under negotiations over a plan to open Japan's rice market, the government has waited until the last minute

Fortis again reports

good results

In the first nine months of 1993 Fortis again reported good results. Comments with the first

three quarters of 1992, the operating result rose to ECU 343.8 million are improvement of 15%. Net profit increased by 19% to ECU 357.1 million and total revenues were 11% higher at

Key figures Fortis first three quarters 1993

6.885

343.8

30-09-1993

Key figures parent companies first three quarters 1993

209.0

The results of Fortis up to and including the third quarter of 1993 show a

satisfactory improvement. Fortis stands by its earlier forecast for 1993, despite the

difficult market conditions and the uncertain economic developments in most of

the countries in which Fortis is active. Barring unforeseen developments and sharp

interest rate movements. Fortis expects a higher level of operating result and net

Fortis is an international insulance and banking group. The group was created in 1990 when AG and AMEVAVSB combined their operational activities. Fortis' parent

companies are AG Group from Belgium and N.V. AMEV from the Netherlands, The group's operations are widely spread, both geographically and in terms of products. Since its creation the group has implemented its strategy resolutely,

Boulevard Emile Jacqmain 53

1000 Brussels

Tel.: 32.(0)2.2208135

Fax: 32.(0)2.2208092

367.1

line of the Uruguay Round officially to reveal Japan's posi-

Mr Masayoshi. Takemura, chief cabinet secretary, said the time had come for the Japanese government to seriously sort out its opinions on the rice issue. Japan is poised to pro-pose a plan in which it will accept minimum sccess of 4 to 8 per cent, and a six year moratorium period before tarification of foreign rice imports. The government is trying to convince those who oppose rice imports, by stressing the dan-

% increase

" 1 90U = 0.78 Sterling

5.54

67.44

31-12-1992

Archimedestaan 10

Tel.: 31.(0)30.573398

Fax: 31.(0)30.522394

3584 BA Utrecht

The Netherlands

+11

\*\*\*

1993

6.14

74.30

30-09-1993

6,205

298,0

300.6

31-12-1892

173.7

If you would like to receive a copy of the first three quarters report

of Fortis and its two parent companies, please contact Fortis

31-12-1992

could not break up the Uruguay Round, and it would have to allow foreign access to the rice market. Mr Yuichi Ichikawa, secretary general of the Komeito, a member of the seven party government, also expressed support for a com-

Mr Takemura said the partial lifting of the import bar

nt within the coalition does not agree to a comproopposing the replacement of the ban with tariffs. mise deal on rice. Last weekend, Mr Takemura said Japan

The government faces staunch opposition from the Socialist party, also a member of the coalition. The party has a large support base in rural areas of Japan, and has threatened to walk out of the coalition if the government reaches decision to lift the import ban. Mr Takemura yesterday went out of his way to try and

# 'Bio-piracy' under new fire

Frances Williams on concern at Gatt patents draft

Round accord to etrengthen worldwide protection of intellectual property, virtually unchallenged since it was drafted two years ago, has resurfaced as a focus

In a belated and almost certainly doomed effort to change the terms of the accord before the global trade talks are due to end on December 15, representatives from groups as diverse as Guaymi Indians to Panama, Indian farmers and Latin American drugs manu-facturers have been trooping through Geneva to air their

Last week the pharmaceutical industries of Canada, Egypt, India and 13 Latin American countries issued a chilling warning on the consequences of obligatory protection of pharmaceutical patents. This, they claim, will reinforce monopoly rights of the leading drugs multinationals, raise domestic drugs prices by as much as 1,000 per cent, increase the costs of essential health care and put much of their indigenous pharmaceutical industries out of business.

In the past, industries in these countries have been able to copy patent medicines, often without paying royalties, which has enabled them to produce drugs cheaply for home consumption and undercut patent holders in export mar-

The new rules would stop unauthorised copying by plac-ing strict limits on government powers to license production of patented drug without the patent holder's consent. This would be possible on payment of an "adequate" royalty only

ise use of the patent "on reasonable commercial terms and conditions".

Gatt officials concede that industries in countries obliged to introduce pharmaceutical patent protection for the first time will have their long-term prospects dimmed. However, in the short term production of existing drugs will not be, affected. Nor will production of most new drugs coming on the market in the next 10 years or so because they stem from inventions already made and patented and now going through the lengthy process of testing and authorisation.

accord specifically allows countries to exclude animal and plant inventions (and bio-technological processes for their production).
But many environmental and third world development groups argue that it should outlaw patents on life-forms altogether on the grounds that it sanctions "bio-piracy" or the

expropriation of poor-country resources by rich-country drug multinationals.

Indian farmers have demonstrated in their bundreds of thousands against the patent-

#### Discontent centres on opposition to the notion of 'patents on life'

secure "pipeline" protection for pharmaceuticals, which would have involved retreactive recognition of patents, was firmly rejected by other nations. US negotiators, though not yet the US industry, appear to have abandoned the struggle. Gatt officials also point out

that the alternative to a Gatt accord would not be the status quo but increased hilateral are from the US, which has already secured better terms for its pharmaceutical industry from several developing countries under threat of trade reprisals.
"On the whole, government

think this agreement is as good as they will get and they don't want to re-open it for fear of something worse," says a : senior trade official. The other main contentious

A bid by Washington to ing of plant varieties, which they fear will threaten tradi-tional breeding of seed hybrids and the sale or exchange of seeds among farmers. Though plants as such are excluded. the Gatt accord will require

tected by patents or other

Even more concern has been expressed over the patenting of human genetic material, highlighted recently when a Cana-dian-based third world development group uncovered a patent claim by the US secretary of commerce on a Guaymi Indian cell line. The blood sample from which it was derived was taken from a 26-year-old Guaymi Indian woman while she was being treated for leukaemia in a Panama hospital. It is now held by the American Type Culture Collection, in

can be drawn on for genetic research. The Guaymi woman's cell

line is of special interest to researchers because some Guaymi people, the largest indigenous group in Panama, carry a unique virus and its antibodies which may prove useful in Aids and leukaemia

research. The draft Gatt intellectual property agreement contains some safeguards against exploitation, but not much. Apart from the permitted exclusion from patenting of plants and animals, it requires patented items to be the product of an invention, not a discovery of something occurring

naturally.

The Guaymi patent application did not deal with an invention "but rather the discovery of an antibody which is part of the blood of the Guaymi woman," Mr Isidro Acosta, president of the Guaymi General Congress, wrote to Mr Ron Brown, US commerce secretary, last month.

However, such objections can be circumvented by quite minor modifications or by the patenting of techniques to stabilise genetic material or extract it from its source.

The Gatt accord provides for a review of the "patents on life" provisions four years after coming into force (prohably some time in 1995). The battle lines are already being drawn between Washington, which wants greater international patent protection for life forms, and a growing body of opinion keen to see better sai and fairer sharing between rich and poor of the benefits of

## China signs two Brazil ventures

By Angus Foster in São Paulo

Brazil and China, two of the world's largest developing countries, have signed two agreements in an effort to boost trade during a week-long visit to Brazil by China's president Jiang Zemin and foreign minister Mr Qian Qichen.

Trade between the two countries remains small but is increasing after several years of decline and this year is expected to reach \$1bn. Brazilian exports of steel and primary products are growing,

have appeared in Brazilian and forest reserves. shops as the country has lowered tariff barriers.

China is to set up a joint venture to extract iron ore from the huge Carajas mines in northern Brazil. This will be shipped to supply China's growing steel industry. The two sides have also

agreed a \$150m joint venture satellite project, where the first of two planned Brazilian owned satellites is scheduled to be launched in October 1996. by a Chinese rocket. The satellite will be used to

• John Burton adds from Seoul: Samsung Aerospace yestarday signed a memorandum of understanding with Aviation Industries of China (Avic)

to develop mid-size commuter

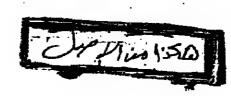
aircraft with 50 to 100 seats. It is the third civilian aviation project to be amounced in as many months by a Korean company and the second involving Avic.

Daewoo Heavy Industries and Korean Air are also co-operating with Avic in developing passenger jets with a 100-130 seat capacity.

The two Sino-Korean projects are meant to tap the potentially large aircraft market in China, while reducing both countries dependence on western aircraft manufacturers by developing their own aero-space industries.

Samsung estimates that the Chinese demand for commuter airliners could reach 200-300 aircraft by 2010, while Korea may need 100.

The Phoenix project involving Samsung and Avic will begin development of the airliners next year and plans to start production in 1998



A STATE OF THE STA

to boo

defence

100

Details of dialogue emerge as Mayhew wins backing of MPs 

Adams says London behind leak

# Sinn Féin accuses government of duplicity

By Jimmy Burns and Roland Rudd

Sinn Fein, the IRA'e political wing, yesterday accused the British government of dnplicity, while at the same time declaring that it remained committed to helping secure

peace in Northern Ireland. Mr Gerry Adams, Sinn Fein president, accused the British government of being behind the leaking by unionist politi-

cians of details of secret talks between intermediaries and Sinn Fein. He said that the aim was to divert "public attention from IRA conditions for

Four hours before Mr Patrick Mayhew, the Northern Ireland Secretary, made his statement to the House of Commons, Mr Adams held a press conference in Belfast to release three documents - two from government representatives and one from Sinn Fein - which he claimed made clear that "the British were quite hiatantly abusing the lines of communication for their own narrow, short-term interests".

But ha produced no documents to support his central allegation that an IRA offer in March of a two-week ceasefire in return for talks had been rejected by the government. The most recent document produced by Sinn Fein yesterday - dated November 5 - contained a British offer of talks in return for permanent cessation of hostilities. in London, meanwhile, Sir

Patrick Mayhew's statement on the recent contacts between the government and the IRA received the overwhelming backing of MPs. Ministers were relieved to hear no criticism from Mr James Molyneaux, leader of

the official Ulster Unionists.

received crucial support from its right wing. Mr Andrew Hunter, chairman of the Conservative backbencher committee on Northern Ireland, said Sir Patrick had acted "entirely correctly and honourably".

Lahour also supported the government's approach. Although Mr Kevin McNamara, the party's Northern ireland spokesman, talked of

said it should not deter minis ters from believing that risktaking is essential if progress is to be achieved".

The government won the backing of Mr Seamus Mallon. deputy leader of the nationalist SDLP, who told Sir Patrick: "You were right to enter the deliberations you entered into. Had you not done so, it would have been a dereliction of duty

Britain in brief



row over

will run the infrastructure of Britain's railways from next April, has become embroiled in a row with the Treasury over its pricing plans following privatisation.

£3hn. A downward valuation

charges would encourage more private operators and BR management hny-onts to hid for franchises under the governmeot's rail privatisation initiative. The Treasury has refused to countenance a downward revaluation of Ralltrack's assets. It believes that on a replacement cost basis the track is worth at least £7bn.

Abu Dhabi

denies plan

ments to creditors.

uidators to the bank.

against it.

to reject an agreement between

vice managers, following

reports that the average salary

increase for chief executives in

hospital trusts had been about

9 per cent in the last 12

Coca-Cola tops

Coca-Cola has for the first time

become Britain's higgest-selling grocery brand, toppling Persil detergent made by Uni-

lever, which has fallen to third

place after arcb-rival Ariel,

supermarket sales of £247m in

the year to August, topped an

Coca-Cola, which had UK

made by Procter & Gamble.

grocery sales

shipyard, have so far found a vey following the yard's deci-The government of Abu Dhabi. sion to call in receivers six majority sharebolder in the months ago. collapsed Bank of Credit and The survey highlights the

Commerce Interoational, appears to have ruled out any increase in compensation pay-In a statement issued yesterday, it rejected any suggestion that it was preparing to raise its payments as part of a negoers were still jobless. tiated settlement with the liq-

Speculation has surrounded the shape of new proposals since the unexpected decision of the Luxembourg appeal with 50 per cent in new jobs. court at the eod of last month

Abu Dbabi and the liquidators. Bank to set up Abu Dbahl is helieved to have ruled out any increase in new office its contribution from the

\$1.7bn-\$2.2bn range wblch it would have paid in exchange for a waiver of legal claims

Controversy on NHS pay rises Health ministers were said to restructuring, organic expanbe "extremely unhappy" yes-terday with recent pay rises sion and acquisitions. for senior National Health Ser-

> a 40-year-old Russian warship and bring it to Scotland to help pioved.

The Flanders Scottish Alliance, a charity that dates back to World War One, has paid a £90,000 (\$133,200) deposit on the Variag clase beavy cruiser identified only hy its number -

## Veil is lifted on secret contacts

It was in the wake of the Greysteel shootings that the mask slipped.

Within three days of this murder of seven halloween revellers by loyalist gunmen, the British government received a dramatic and panicky message from the provisional IRA lead-

ership.
"Please tell us . . as a matter of urgency when you will open dialogue in the event of a total end to hostilities," the sage said. "We believe that the country could he at the

point of no return." Coming after eight months of tense and fitful dialogue, conducted in the strictest secrecy. it was the clearest possible signal that it was time to act. Three days later on Novem-

ber 5 - as Mr Douglas Hurd, the foreign secretary, paid his first visit to Northern Ireland for eight years - the government did just that. It epelt out its terms for a face-to-face meeting with the Provisionals within 75 days, in the middle of January.

If the IRA delivered a genuine end to violence "within the next few days", the government said, a first meeting for

Santiment about an upturn

will be helped by a survey

today from the Chartered Insti-

tute of Purchasing and Supply

which showed manufacturing

orders and output grew

Although the seasonally-ad-

justed M0 figure was lower

than the 5.4 per cent rise in the

year to October, growth in

notes and coins, which

strongly this month.

David Owen on papers which might have remained unread for 30 years

"exploratory dialogue" would take place within a week of parliament's return oo January 11. The government would be

represented by "seninr officials." The proposed interval would be to "demonstrate the genuineness of the ending of violence". This message would have

landed on the desk of the pro-visional leadership less than 24 hours after the Uister Unionist party leader Mr James Molyneaux - who has an effective veto on the shape of any political settlement - said Sinn Fein would have to wait at least five years before gaining admission into the democratic process.

It came just four days after Mr Major told MPs that talking to Mr Adams and the IRA

would "turn my stomach". These events of just four weeks ago, are the most dramatic of the exchanges covered by the nearly 40 pages of docu-ments released by the government vesterday.

accounts for 90 per cent of the

measure, was particularly

strong. This jumped 5.5 per

cent in the year to this month,

after a comparable 5.3 per cent

in the 12 months to October.

and indicated that consumers

The economic data heartened

are spending relatively freely.

investors on the London stock

market, where the FT-SE 100

index of leading shares

But they are merely the cul-mination of a top-secret dialogue which began - at the instigation of provisional leaders - in February. The documents released yes-

terday are an extraordinary record of a discussion so far which, had it remained secret. would probably not have seen the light of day for 30 years. They iodicate that the government set out its conditions for heginning talks with provisional IRA leaders as early as March - on the very eve of the Warrington bomb hlast which killed two children and saw worldwide condemnation of the IRA's methods.

They show that the provisionals subsequently expressed their "total sadness" in accepting responsibility for this bombing in an extraordinary

oral message.
They suggest that relations hetweeo the provisionals and the government cooled significantly after the support of nine Ulster Unionist MPs helped

shrugged off a large fall in Jap-

anese stocks to gain 24.4 for a

close of 3,135.8.

prime minister John Major secure the ratification of the Maastricht treaty in late July. indeed, there seems to have een a serious danger of contacts being broken off during the summer, with the provi-sional leadership declaring itself "perplexed" and the gov

ernment admitting: "Minds do not seem to be meeting." The first contact referred to io the papers took place on February 22 in the form of an oral message from provisional leaders that the conflict was over. "We need your advice on how to hring it to a close," the message said. "We wish to have an unannounced ceasefire in order to hold dialogue lead

ing to peace." About six weeks earlier, Sir Patrick Mayhew, the Northern ireland secretary, bad said publicly for the first time that pressure within the IRA for an eod to violence was mounting. The government delivered a brief seven-line response four days later, promising to take the overture "seriously and at face value". On February 26 -

the day the message was sent - a homb exploded at a Warrington gasworks.

Buoyant figures give pre-budget boost for Clarke

predict a fall in public borrow The City is expecting the chancellor to unveil a £2bn tax

Sterling was also strong, ris-ing 1 pfennig against the D-Mark to close at DM2.5425, while against the dollar it put on nearly 1 cent to finish at Long-dated gilts gained a quarter of a point on expecta-tions that Mr Clarke would

ing from about £50bn this financial year to roughly £40bo in 1994-95

rise from next April, on top of the £6.7bn already announced. Mr Clarke may also shave £1bn to £2bn off the public spending control total for 1994-95, previ ously set at £253.6bn.

# 'fear' of Channel tunnel

those questioned said they did not believe the project would ever be finished and nearly a third thought the scheme a

was carried out in June, before it launched an advertising campaign explaining how the system will work.

section of the population was questioned rather than current cross-Channel travellers. A spokeswoman said other surveye have shown that 50 per cent of ferry users say they will use the tunnel. The Channel Tunnel. Mintel.

## pricing policy Railtrack, the anthority which

The company believes the

value of its assets, set at around £7hn hy British Rail, are worth no more than £5hn. and could be worth as little as of Railtrack's assets would enable the company to set lower prices for the use of its

It helicves that lower

#### Few jobs for Swan workers

The fastest-growing hrand

Labour urge

Britain's opposition Labour

party yesterday urged Mr Ken-neth Clarke, the chancellor of

the exchequer, to abandon the

imposition of value added tax

on fuel and to deliver a sub-

stantial increase in investment

Mr Gordon Brown, the party's chief finance spokesman.

told a meeting of Labour MPs

that the hndget should main-

tain public services, introduce

an emergency joh creation pro-

gramme, and rehnild Britain's

social and economic fabric. Mr Brown also released a

pamphlet, published by the

Trihune gronp, setting out

details of his claim that tax

revenues could be increased by

£10hn hy closing tax loop-

In his first budget today.

tax rethink

Fewer than 20 per cent of the employees made redundant at Swan Huoter, the Tyneside

disparity of joh opportunities for different employee categories. Fewer than one in ten ancillary workers, pipeworkers, painters and woodmachinists had found work, and 88 per ceot of fitters and 85 per cent of electricians and steelwork-

Among whitecollar employees more than three in ten had found work. The most successful jobhunters were managers.

Singer & Friedlander, the merchant bank, is to set np a development capital snhsld-lary in Leeds, to operate throughout the UK.

It will be funded from the merchant bank's resources and invest from £500,000 upwards in management buyonts and bny-ins, capital

## Charity plans to buy warship

A Scottish charity plans to buy house the homeless and give new job-skille to the unem-

Mr Kevin Earnsbaw, a spokesman for the charity, sald the cruiser was fully equipped with showers, toilets, kitchens and laundry facilities for its

## launch new air service to Dublin

By Peter Marsh.

**Economics Correspondent** 

Mr Kenneth Clarke, the

chancellor of the exchequer, was given a pre-budget fillip yesterday with further evi-

dence that the UK economy is

and indications of a sharp

increase in manufacturing out-

continuing its recovery.

By Paul Betts, Aerospace Correspondent

Mr Richard Branson's Virgin Atlantic Airways is finalising an agreement with a new Irish airline to start a franchised service from London City Airport to Dublin.

Virgin yesterday said negotiations with Cityjet, a new privately-owned Irisb carrier, were "very advanced" and that an agreement was likely before the end of this week. The Irish airline will operate British Aerospace 146 jets on Virgin licenced services. Under the agreement, the

aircraft will be painted in Virgin livery and Mr Branson'a airlina will provide support for maintenance, catering, marketing, sales and training. The Irish carrier plans to operate up to five services a day between Dublin and th City airport in London's Dock-

Although Virgin intends to continue focusing on long hand routes, Mr Branson sees franchising as an opportunity to expand in the European market. A Virgin official said the airline expected to negotiate other franchising European

airline deals. Virgin launched last March its first European franchising operation with a Greek charter carrier called South East

European Airlines. The new Dublin service will also be a boost for London City airport which announced yesterday the start of the first UK dnmestic aervice from the

Docklands airport.

A Belgian airline, VLM, will begin in January a twice daily service from Liverpool to London City using a Fokker 50

Until now, airlines using London City have nperated services from the Docklands to continental European destina The new Liverpool service is also the first example since the liberalisation of the Euro-

pean air transport industry of foreign carrier operating a domestic service in the UK. The Belgian carrier currently nperatea services between London City and Ant-

## Virgin to | Managers 'prefer | Survey shows travellers' BT to Mercury'

Rev Ian Paisley, Democratic Unionist party leader, was

suspended from parliament for five days after he accused North-

ern Ireland secretary Sir Patrick Mayhew of lying over contacts

with the IRA. He also repeated his call for Sir Patrick to resign

British Telecommunications provides a better service than Mercury, according to a survey of telecommunications managers in large UK companies.

put will encourage the chancel-

lor later today as he delivers a

budget statement expected to

concentrate on reducing the large fiscal deficit through a

MO, the narrow measure of

the money supply, rose 5.1 per

cent in the year to November

to continue racent strong

growth which has underlined

huovant consumer spending.

modest tax rise.

On a scale of one to 10, BT was rated at an average of 6.95 against 6.18 for Mercury, in the survey of 439 companies by the Telecommunications Managers Association. Nearly half tha companies surveyed have an annual telecom expenditure of more £5m.

Competing aggressively on price, Mercury has about two thirds of outgoing long distance traffic from the city of London, although its national

market share is only around 10

per cent.
Mr David Harrington, director general of the TMA, said: BT's strength is the resilience of its network, which is widely seen to be greater than Mercury's. They have got more peo-

ple on the ground." Whereas most telecoms managers claimed to have a "good understanding" of pricing packages, the growing complexity of tariffs was a source of concern.

cury duopoly in 1991.

A large number of companies said they planned to use network operatora which have entered the UK markets since the abolition of the BT/Mer-

## By Diane Summers

they are unlikely ever to use the Anglo-French Channel tunnel, according to a survey published today by the market research organisation Mintel.

Marketing Correspondent Three-quarters of adults say ing so close to it.
Mintel describee the

Fear is a large element of the apparent bostility towards the new service, which is due to start in May 1994. Mintel said more than half of the 1,000 adults questioned were "fearful that the tunnel would increase the risk of rabies and other diseases entering the UK". Half expreesed concern that the tunnel could be a target for

Professional male business travellers, particularly those living in London, are most enthusiastic hut, overall, only 15 per cent of those living in the south say they are likely to use the service, in spite of liv-

responses as "unduly negative" and said it believed opinions would change when the tunnel opened. "For many people the concept of actually travelling through the tunnel feels like something which is still years away, due to the various delays and the media coverage of all the controversy eurrounding its construction." A sceptical 7 per cent of

"waste of time". Eurotunnel said the survey

It noted that a wide cross-

18-19 Long Lane, London EC1A

## annual list of 100 grocery Nissan UK suffers 61% drop in profits after losing franchise

By Kevin Done, Motor Industry Correspondent

Nissan UK, the former importer/ distributor of Nissan vehicles controlled by Mr Octav Botnar, suffered a 61.3 per cent fall in pre-tax profits to £24.87m in the year to the end of July 1992 from £64.2m a year earlier. The company, which was at the heart of the biggest corporate tax fraud in Britain, is fighting in the

High Court against a petition from the Inland Revenue seeking to put the company into liquidation. The High Court has appointed Mr Colin Bird and Mr Dipanka Gbosh of accountants Price Waterhouse as provisional liquidators of NUK. This appointment was extended yesterday pending a hearing of the case. NUK is challenging both the appointment of the provisional liqui-dators and the winding up petition.

annual report, Nissan UK turnover in the year to July 1992 fell by 47.7 per cent to £307.6m from £588.6m a year earliter. The company was deprived of the franchise to import and distributa Nissan vehicles in Britain with effect from the end of

According to its latest directors' report signed at the end of October 1993 NUK is now chiefly engaged in

According to the company's latest property in the leasing of dealerships to car retailers. The report says NUK intends "to maximise income and profits from the company's property portfolio in

the hope that the market for retail garage properties will improve".
Following the loss of the Nissan franchise, NUK completed the disposal of its parts husiness and remaining vehicle stocks by Fehruary this year, says the report.

The board of NUK now has just two members, Mr Botnar and Mr Manfred Weder, a Swiss lawyer. The annual report shows that Mr Botnar was paid £316,000 hy NUK in 1991/92, hut it also reveals that another unidentified director received emoluments totalling

£1.89m excluding pension. Mr Botnar, aged 80, who remains chairman of NUK, has been living in Switzerland and has not returned to

warrant was issued for his arrest. The report ehowe that Mr Michael Hunt, former assistant managing director of Nissan UK, resigned from the board on June 28. He was jailed on June 30 for eight years for his part in the NUK tax fraud. He is currently appealing against both his conviction and sentence, and the appeal is expected to be heard in early 1994.

## Rivet pioneers set sights on car industry

New technology has given manufacturers an alternative to welding, writes John Griffiths

Mr Keith Jones, managing director of Henrob, the Welsh company was flying to Detroit yesterday to hold talks with US manufacturers on applying its self piercing rivating technology which he says is gaining

nomentum every month. Its partnership with Audi, the German car maker, marks the first application of the technology, rather than epot welding, to a complete car body assembly. Mr Jones says there are few limits to the

growth of the process in the motor industry. Henrob, says Mr Jones, had been "pushing" its technology for some time, "but everyone was comfortable with their spot welding. "Then the technology changed, with aluminium and

plastic coming in as the need

Spot welding can destroy the coating and leave vehicles vul-

has grown for lighter vehicles. At that point, they [Audi] realised that welding wasn't suitable - and at that point it became really exciting for us". Henrob is already active in other fields - some 1,000 of its riveting machines are installed

world wide in applications such as washing machine assembly lines in Iran and India. The electronically-operated sliding roof of Toronto's Skydome all-weather sports stadium is held together

nerable to rusting.

out Mr Jones. by Henroh's system.
In the motor industry, manufacturers are realising the technology is applicable to steel as well as aluminium, particuas an alternative to steel. larly as they move to corrosion-resistant coated steals.

Ford US, in a research paper presented to the International Body Bugineering Conference in Detroit in September, said: "Only the self-piercing rivet riveting unlikely. The machines and rivets now installed at Audi's Ingolebows a algnificant atrength advantage over spot welds."

The size of the potential mar-

ket is enormous. There are about 130hn spot welds put Flint, Wales. into cars each year - an average of 3,000 per vehicle", points There is no heat involved in the new process, so it can join unlike materials, such as the plastic composite body panels

Other advantages claimed are low energy consumption, near-noiseless operation and only about half the investment. But Henroh executives accept that the motor indus-

try's need to amortise large investments in spot welding plant and equipment makes an "overnight" switch to pierce

stadt plant have all been

designed and manufactured at

The French Peugeot group has also begun introducing a simpler form of the technology to assemble part of the body shell of its 106 and 306 car ranges. A simplified form of the process is being used to assemble seats for Ford's new

Mondeo model. "Only" 68 per cent of joints on the Audi aluminium car are riveted because the design of the car was under way when Henrob was approached. "Now that the technology has been

accepted future cars will be designed with it in mind from the start", says Mr Jones. Henroh set up at Flint in 1986 - helped by a £500,000 grant from the Welsh Office after acquiring technology rights which originated in Aus-

It is investing £1.8m in expansion, creating 20 jobs in addition to the current 34, and Mr Jones predicts "significant" further growth in employment. The company has enjoyed a 40 per cent growth in turnover this year "and we're expecting 80 per cent compound over th next three years", says Mr

More than 80 per cent of Henrob's output is exported. Although small, the Flint plant produces several million rivets of varying size each week.

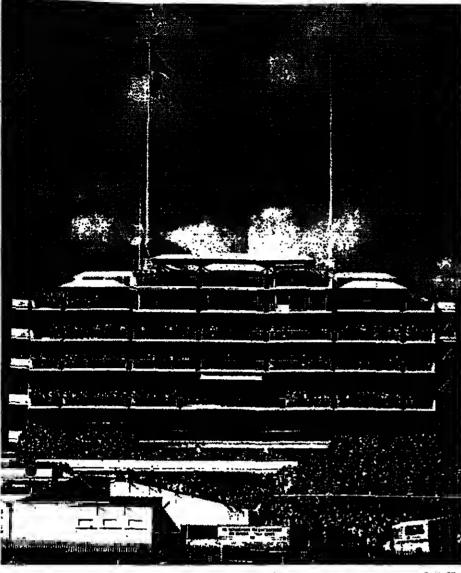


itures

## THE FT ARCHITECTURE AWARD

# Horden gallops past the post with a classic

Colin Amery reports on the 'high-tech' appeal of this year's winning entry



The winner, a pedigree product: Richard Horden's Queen's Stand, Epsom Racecourse

wo English obses-sions were united in the presentation yesterday of the Financial Times Architecture Award to the designers of The Queen's Stand at Epsom Racecourse horse racing and "high-tech"

Some critics might say that the third national obsession. gambling, was also part of the winning equation. The archi-tects, Richard Horden Associates, is a young practice, set up in London in 1985, and it was an adventurous choice indeed something of a gamble - for United Racecourses to chose it for this prestigious commission at Epsom, Surrey.

The chairman of United Racecourses is Sir Evelyn de Rothschild – a man used to winning in the world but also a man with a stern eys for qual-ity. The members of the jury of the FT Award were unanimous in their selection of Ths Queen's Stand as this year's winner - they were in fact bowled over by the consummate elegance and practical beauty of the design. What is "high-tech" architec-

ture and why is it a purely English obsession? Put simply, it is an architecture that celebrates the giories of contemporary technology and turns mere functionalism into something expressive - almost

"High-tech" buildings such as the Lloyd's building in the City of London elevate the language of engineering and structure above and beyond any simple single purpose or something function. There is almost gothic about the expres-siveness of structurs which

the symbolism of our times.
"High-tech" architects emoy new materials and the application of technologies learned in other fields to the development of architecture. Many sources of ideas are plundered to feed the god of high technology architects have learned from of his own. ver manufacture: prefabrication and space and rocket technology; and marine engineer-

its growth. Why is it so much an English phenomenon? Architests would say that "hightech" grew out of engineering and the pioneering traditions of designs like the Crystal Palace by Sir Joseph Paxton, or Brunel's bridges and railway stations. But it is also closely linked to ship and aircraft design - the skills that went into Concorde and the ORS have also enriched "high-tech"

ing, asronauties and

mouting has also nourished

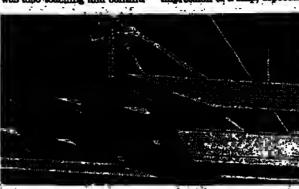
England's "high-tech" pio-neers such as Sir Norman Foster and Nicholas Grimshaw are enthralled by yachts and aircraft - indeed, Sir Norman is famous for arriving at site

meetings by helicopter.
Richard Horden, this year's
winner of the Financial Times Architecture Award, is a pedigree product of the best "hightech" stables. He started in an office with Nicholas Grimshaw and then worked for 10 years in Norman Foster's office. While he was with the Foster design of the Sainsbury Centre for the Visual Arts at the University of East Anglia, and the remarkable headquarters of the Hong Kong and Shanghai Bank in Hong Kong. He also helped evolve the early design of the Nimes art gallery and the Stansted airport proposals. On setting up his own prac-tice Horden faced the problem of how to utilise his experience of working with the design leaders of the profession while developing a distinctive style

During the early 1980s he was fortunate to secure several commissions for privata houses. An aluminium house in the New Forest generated several revolutionary ideas. He was also teaching and continu-

The Queen's Stand at Epsom is beautifully sited and has a remarkable view of the Epsom Downs and the surrounding en counties. The club stand for the racecourse, it is located opposite the finishing line of the Derby. As the brief demanded a series of balconies and boxes all with a clear view of the course, it was natural

for the architect to draw parallets with a large ocean liner with sleek deck forms. Masts and flagpoles add to the impression of a ship, especially



ing to practice his own particalar interest in yachting and

Like many of the best contemporary architects Horden moved into the design of furniture and interiors. His small "Yacht House" and "Ski Haus" projects are the result of his own wide sailing experience and his work with yachting engineers and carbon craftsmen. Direct work in the factory gives Horden an edge over many of his contemporaries: a sense of control is evident in

as the whole building is.

Continuous balconies create the sense of a grandstand and provide racegoers with views of the Royal box and of other racegoers as well as the horses.
White: the stand is well equipped for racegoers it also has fine facilities for jockeys. Part of the competition brief for the stand (which was drawn up in 1988) was that the building should be in use for as much of the year as possible for functions and entertaining.

Downs and the sleekness of the design makes it an agreeably neutral setting that can be transformed easily for a variety of events.

The design team included engineers Ove Armp and Partners with Peter Rice and the quantity surveyors were Davis Langdon and Everest, Clyde Malby. Planning permission was granted in March 1991 and a phased fast track construction programme allowed the completion of the whole project within 18 months.

Richard Horden has several promising successors to this award-winning building in the pipeline. His practice won the European wide competition for a 100 metre high tower for Glasgow, to be built (funding permitting) in the city centre to mark the millennium. An important scheme for Shell UK for a new headquarters build-ing in The Strand in London is currently awaiting planning consent. Land Securities and N.M. Rothschild have both commissioned important projects from the Horden practice. Any visitor to the effices of this London firm, in Golden Square just behind Piccadilly Circus, will sense a new architectural spirit. The office includes a showroom and cafe

glimpse the design process at the heart of the capital. The FT jury felt that the Queen's Stand was magnificent and saw in it the seeds of many future projects of high quality. Awards should encourage as well as reward and Hor-den seems to have a golden future as one of Britain's band of world leaders in the "high tech" architectural market.

and tourists are welcomed to

The Financial Times Architecture Award 1993 is the 26th to be made. It began life as the FT Industrial Architecture Award and grew ont of a desire to find ways of improving the working environment

in the 1960s. Industry and manufacturing then took more conventional forms and the award juries were restricted to looking at the manufacturing process and its visual consequences. Looking back at those early

## A talent for picking winners over three decades how successful the juries were

in spotting talent. Norman Foster, Richard Rogers, Nicholas Grimshaw and Michael Hopkins were all singled out as key developing talents long before they reached their current international fame.

This has been a record year with 154 entries - remarkable in a recession. The jury had a

new layman - Sir Simon Hornby, chairman of W.H. Smith and a former chairman of the Design Council. He is known for his interest in architecture and his own developed skills as a patron. The architect members were Nicholas Grimshaw and John Outram

The FT has always tried to

debate. Grimshaw is a leader of the "high tech" school and the opening of his Waterloo Channel Tunnel Eurostar Ter-minal is eagerly awaited. He is also currently engaged in the design of the new Berlin Stock Exchange - a scheme he won in international competition. Outram has recently won two ensure that the jury represents important architectural com-

all sides of the architectural

petitions - the Judge Manage ment School at the University of Cambridge; and a key new facility for the Rice Campus of

the University of Texas.
The jury always visits as long a "short list" of buildings as possible and this year the members were especially impressed by the very high architectural standards. The

■ Stansted Airport by Sir Norman Foster and Partners. Bracken House, City of London, by Michael Hopkins

and Pariners

■ Schlumberger Research Centre, Cambridge, by Michael Cranfield University Library by Sir Norman Fost

joint venture with MEPC), near Heathrow Airport, by Michael Hopkins and Partners.

Chichester Car Park, Aveque de Chartres. Chichester West Sussex, by Birds Portchmouth and Russum.

M City Offices in Winchester hy Hampshire County The jury looked for that elu-

sive quality in a winner which shows the hand of the architect in every aspect of the design. But a key realisation every year is that the best new buildings come about through the collaborative efforts of a good client with a talented architect. Such creative partnerships not only produce businesslike new buildings but also provide ones which are

All those Bunds having been sold, this advertisement appears as a



## The Council of Europe Resettlement Fund

for National Refugees and Over-Population in Europe Strasbourg/Paris

DM 100,000,000 6% Bonds with Interest Conversion Right of 1993/2003

Issue Price:

Interest Rate:

6 % p.a., payable annually in arrears on November 25 of each year November 25, 2003 at par - unless the Conversion Right is exercised -

Repayment Interest Conversion Right

The holder of a Fixed Rate Bond is entitled to convert the Fixed Rate Bond into a Floating Rate Note on the interest payment dates falling on November 25, 1996, 1997 or 1998. The Floating Rate Notes bear interest of 6-Mouths-DM-Libor less 0.10% p.a. and

will be redeemed on November 25, 2011.

Listing:

Düsseldorf and Frankfurt/Main

Trinkaus & Burkhardt

Bank Brussel Lambert N.V.

ABN AMRO Bank (Deutschland) AG

Bayerische Landesbank

Banca del Gottardo

BHF-BANK

CSFB-Effectenbank

Girozentrale Deutsche Bank

Dresdner Bank

Commerzbank

Aktienmeellschaft

Aktiengesellschaft

Aktiengesellschaft

J. P. Morgan GmbH

Morgan Stanley GmbH

Schweizerische Bankgesellschaft (Deutschland) AG

Schweizerischer Bankverein

Société Générale -

(Deutschland) AG

Elsässische Bank & Co.

Westdeutsche Landesbank Girozentrale

#### LEGAL NOTICES

MAXWELL PRIVATE GROUP OF COMPANIES (IN ADMINISTRATION)

POTENTIAL MAJOWELL CREDITOR COMPANIE

FX and GOLD 24 HR DEALING CAL Former Ltd London EC4V 4BS Tel: 071-329 3030

NO MORE DANCING!
SATQUOTE™ - Your single service for real time quotes.
Futures \* Options \* Stocks \* Forex \* News \* Via Satellite
LONDON +71 329 3377
NEW YORK +212 2696636 FRANKFURT +4969 440071

38 DOVER STREET, LONDON WIX 3RB TEL: 071 639 1138 FAX: 071 496 0022

PRESS FOR GOLD - 0839 35-35-25 FUTURES PAGER



Market Myths and Duff Forecasts for 1993

FOREXIA FAX \$ DAILY FOREIGN EXCHANGE COMMENTARIES.

CHARTS, FORECASTS AND RECOMMENDATIONS free trial details: Currency Fax - FREE 2 week trial

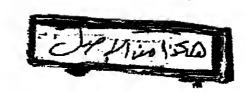


Objective analysis for professional investors 0962 879764

Breakthrough V4.00 New version Sodal Ltd. FREEPOST, London N10 18R Tel: 081-863 9198 Fax: 081-365 3492 oription. An Integrated selects mantering system. Mariage, contacts, prosp is, dealer referrels, products & services. Produce form letters, malmarias, se

Clinits, dealer reserves, products a services, Produce rum sours, mamminge, eales action lists, pice lists, & labels. Monitor sources, campaigns, cost & response explusion, Record noise. To Do lists, clary actions & telephone scripts. On screen menuel & access to most word-processors, include intersolive tutoriol, stallistics pack and acreen customisation, de-chipfication & report generator. DEMO DISC available, Hardware: IBM AT and compatibles+ most net Users: World-wide, Corporates to Incliniduals.

Cost: NEW PRICES single user from 299 - networks from £196/



# Twelve acorns for a hair cut

hat do you do when you have s product or a service to sell, but your customers have no money to buy? The answer is you shun sterling and accept "bobbins", "acorns", or "beaks" instead.

Recession has worked wonders for home-grown local currencies. Two years ago there were five. Now, nearly 200 towns and cities in the UK are busily buying and selling in their own units. Businesses including dentists, solicitors, shops and cases are finding that receiving payment in local barter currencles is a lot better than not trading at all.

The networks, known as Local Exchange Trading Systems, started as a way of helping the unemployed use their skills. Members open an account in the local currency with a central administrator and are issued with a cheque book.

When one member buys something from another, the cheque is sent on to the central administrator who acts as banker, debiting one account and crediting the other. No physical tokens are involved.

Members enter their products or skills for sale in a local directory, with many members offering a range of services. Paul Johnson of Tradelink in Wilfshire is fairly typical he will program your computer or decorate your house. The found-

ers of the scheme view money with strong suspicion and have a moral repugnance for the payment of interest. But Lets are now moving away from their hippy roots and businesses are beginning to accept payment in Lets units as part of a hard nosed business strategy.

A solicitor in Stroud who accepts Lets payments does so because he recognises that it brings in customers who otherwise might not use a solicitor. Moreover, customers acquired in that way may be more likely to stay loyal.
"Initially we joined the scheme

because we were new in the area and because we felt we couldn't say no," says Carolyn Whitwell of the Bishopston Trading company which runs five ethical clothing stores in the west country. But now we do it out of pure self interest. Recession has hit us very badly and this is a way of creating s market for people who have no money."

The shop accepts 25 per cent of the value of its goods in Lets units. but when it increased the proportion to 50 per cent during a recent sale, it was surprised at how sharply its turnover increased. While businesses are finding no

sbortage of customers willing to buy through Lets, some are struggling to spend the currency they have accumulated. In Stroud, which



has one of the oldest and biggest schemes with about 300 members, there are plans to employ a Lets councillor to show businesses how to meet many of their needs - decorating, electrical work, accountancy

and so on - locally and pay for them through Lets. Some enterprising companies have started paying their staff

through Lets. At the Bisbopston

paying workers to till a nearby plot of land for ber. Meanwhile, the owner of a market stall has earned enough Lets units to hire an archi-

At Mills cafe in Stroud, meals and

drinks can be bought via Lets and

with the proceeds the proprietor is

pany's cash flow

tect to redesign his home. As the Idea of the schemes is to keep business within a community, they tend to work best in places where the spirit of the community is strong. Many of the people who are the keenest users like them

because, unlike money, they make

trading less impersonal. "The years of Thatcherism have taken the bumanity out of doing business," says Harry Turner of Letslink UK, the national co-ordinating body. "There are lots of people wbo prefer a more human way of

doing things."
He describes his first Lets transaction when be had just moved to the town and was in need of a haircut. "I rang up someone in the directory to sort out a haircut and I took some of the cards I had made over. I ended up having a meal there and now we are friends." Some larger towns bave more

are being paid in Lets units to make clothes, thus not only meeting a genuine need, but easing the com-One prides itself on its equality: all members must charge a standard rate for their services per hour, regardless of whether they are accountants or cleaners. The other, like most Lets, allows members to charge whatever they like. The second scheme, complains Carolyn Whitwell, is rather too heavy on people offering alternative healing or aromatherapy at fancy prices.

> ets keep tabs on how much each member of the scheme is Itrading and sends them regu lar statements. There are no credit limits: most feel that the local nature of the schemes as well as the types of products on offer will prevent people from spending a million bobbins and then doing s runner.

The Inland Revenue is watching the growth of Lets with interest. A spokeswoman said that if local currencies were used for occasional babysitting or gardening, the revenue would turn a blind eye. But if businesses were using them, sil amounts should be declared in the usual way.

"And we want tax paid in sterling. The chancellor will not appreciate having his lawn mowed." she

Exchange of Thailand and Its

shares - in contrast with those

Letslink 0985 217871

#### Barciays lends more ElB money

Tel 0276 452010

Barclays Bank is revamping a scheme to lend European Investment Bank funds to small and medium-sized businesses making capital investments.

−In a− Nutshell

Filing accounts can

help your rivals

competitors at home and

of Independent Companies Privately owned Britisb

manufacturing companies

particularly those with only

one product range, have become

and foreign competition", the

two groups say in a report\*. Neil Hamilton, minister for

corporate affairs and

bonelessly exposed to both UK

deregulation tzar, has been sent

the report which says sensitive

information on small companies

is more readily available in the

UK than anywhere in the world. The SBB has asked Hamilton

companies, where shareholders

are also directors, to be exempt

from filing accounts. Hamilton

Companies Registry. Available

from Small Business Bureau:

is studying the issue. \*The Filing of Accounts at

to persuade his European

colleagues it is potentially

damaging for small and medium-sized companies to

The SBB wants small

Filing accounts at Companies

House, as required by law, is

betraying vital information to

abroad, according to the Small

Business Burean and the Union

This Friday the EIB will provide Barclays with the first £50m line of low-cost credit larger sums are expected later. The bank will lend between £30,000 and £10m for a minimum of four years.

Companies should bave fewer than 500 employees and net fixed assets of less than £60m. The EIB will lend half of the total investment cost but borrowers do not need to borrow from Barclays for the balance. Barclays has already lent £130m of EIB money over the last four years.

Trading Company, local residents than one network, in Bristoi there

ike his father, Richard Han is an entrepreneur to the core. When he was studying for his MBA at City University in London, the man who is now chief executive of Thailand's Hana Microelectronics group had a sideline importing Thai silk flowers and selling them to shops such as Harrods.

He went on to exploit a loophole in British customs regulations, importing watch straps and cheap digital watch movements from his father's factory in Thailand (tariffs were lower than for completed watches), assembling them at home and selling them in Petticoat Lane, London; the business grew and he once sold 1m watches to Texaco

10 2112

. ≥≥

man barrel

A CONTRACTOR

4.4

1 7 15 to \$25

NAME OF TAXABLE

- " " 11 mar 12

and the second

S FAGER

A TAMBA

for a UK petrol station promotion. But when he returned to Thailand four years ago. Han, now 36, took on the more daunting task of turning round the troubled family business. In common with other second or third-generation ethnic Chinese businessmen, he was able to supplement the family's entrepreneurial skills with a more

\* SECRETS REVEALED \*

HOW TO LEGALLY OBTAIN

Discover the secrets of dual nationality with over 100 countries examined.

Monaco/Causpione Switzerland. New cars! How to buy tax free. How to

become a successful legal tax exite. Learn hundreds of other explosive facts

and insights to make you richer and more powerful.

Free brochure and privacy newsletter to: Scope Box No. 4101

-62 MURRAY ROAD, WATERLOOVILLE POS 9JL, UK.

TEL: 0705 592255 OR FAX: 0705 591975

Advice that your lawyer or Accountant would not DARE tell you - even if they know

PLEASE QUOTE OUR BOX NUMBER WHEN REFLYING

**ELECTRONICS MANUFACTURING** 

IN EASTERN EUROPE

A well established manufacturer of electronics products, based in Austria

For further information contact: Phone/Fax 081 680 9735 or Fax +431 60101 4860

ITALIAN COMPANY

for the distribution and preservation of fresh and refrigerated foods, provided with:

- Refrigerators from +4° to -40° degrees Colsius.

- Warehouses of 5.000 sq.m.

- Loading and infosting docks.

- Shelvings "Ports - Pallets

IS LOOKING

meed companyies in the whole of the Latinus region, to have full disposal of all s.m. service. For information: SO.D.Al. ark -26, Via Cartano Lodi I - 00173 ROMA Tel: 06/72332945 Fan: 06/7231350

**Management Buy-Out** 

What is your company worth?

£49.95 + VAT.

offers manufacturing in their factories in Hungary. Advantages include:

Duty-Free imports to EC and US markets for many categories

Back up from a very experienced manufacturing, engineering

Manufacturing cost price levels similar to Malaysia

and development organisation in Austria if needed

Local suppliers for many components including plastics

- Own and appropriate motor vehicles.
- Seat in Rome (strategic zone, South of the Grande Rad

of products
Simple logistics chains

Also, become a PT (Previous Taxpaye) and legally avoid taxes, Governs and hassle. Discover the insider facts about Andorra/Gibraltar/

A SECOND FOREIGN PASSPORT ...

technology businesses at the forefront of south-east Asia's economic boom.

His father, says Han, quickly figured that micro-electronics was absolutely right". Hana developed a profitable business making analogue quartz watches.

By the time Han returned to Thailand, Hana was suffering from two problems: the integrated circuit revered, paternalistic and all-powerful boss - what was going wrong. Losses on the semiconductor business almost matched the watch profits and the watch market was

he was wrong," says Han. 'In Thailand, because of this respect for one's elders, initiative in middle management is lacking.

**BUSINESS OPPORTUNITIES** 

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

questioned so he could never get feedback or decision-making from middle management. The company had grown and it was still yery much a top-down management

His father's mistake, says Han lay partly in creating a financial semiconductor business that was almost identical to the successful formula adopted for its more capital was enough to buy half of one of those wirebonding machines," he says. "Now we've got 50 of them."

at business school in between

selling flowers and watches, set about raising money and building a new factory to introduce the economies of scale be believed were

Whereas his father had balked at mass production and thought Hana could operate as a "niche player", Han realised that customers wanted to be sure that Hana could produce large runs of good quality at a reasonable price. "We are in a service industry. I'm not selling a product, I'm selling a service," he says.

absolute power of the family and were able to offer advice on financial strategy in the boardroom.

of other Thai electronics groups which have suffered falling profits - are sought after by foreign investors. Net profits have risen eightfold since 1988, and third-quarter profit this year was Baht84.7m (£2.24m), nearly double the figure in the same period last Han says the company, which now employs 3,700 people, counts Kodak among its customers (it makes small circuit boards for

Kodak cameras), is building a new factory in northern Thailand, will spend \$15m (£10m) on new equipment next year and is looking for suitable acquisitions. Han credits his father for speoding time in Hong Kong and letting him tackle the restructuring. "It very much depends on the parent-son relationship," be says.
"It depends if the father is willing

COMMERCIAL ACCEPTANCES LTD

ET NON-STATUS PINAN

DAY - & MONTH FACILITIE

071 289 3326

#### **BUSINESS** SERVICES

PROPERTY PROBLEMS? Creative Commercial Property Advisor with 30 years experience solving proble can belp solve yours

NEED TO REDUCE YOUR RENT? Need more space? Space available that won't sell or let? Stack with an onerous Lesse? Want to realise capital through Freehold assets?

All discussions in confidence, withou bligation, either fax me on 071 487 4750 or write to Box B2085, Financial Times, One Southwark Bridge, London SE1 9HL.

BUYING A SMALL BUSINESS OR EXPANDING? We offer as all inclusive service from identifying and appraising potential equisitions to raising finance from

CONFIDENTIALITY ASSURED Write:- Jim Keeling, Corbett Keeling Ltd, 15 Dighton Road, London SW18 1AN ber of the Securities and Putpres A

£ml to £5m.

LEISURE SPORT Burs and clubs. 15 years experience in owning and operating these businesses.
Recently sold my interests, time available in act as consultant and activity interests of the property of the pr Phone: 0850 532443

> YOUR **OFFSHORE** ADDRESS. Mannin Businese Bures: late of Man.

Tet: (0624) 572411

Fax: 0628 898403

ASIA/PACIFIC TRADE SERVICES Evaluating Asian trade opportunition, sourcing Asian/Pacific distributions Hamilton Oavies can assist with all your trade

development requirements. Hamillon Devies Tel: 0203 636-131 Fac: 0203 636-DO YOU NEED AN ADDRESS AN Frankluri? abs. discretion. Fac (+49) 69 66906911. HMZ Patter Frankluri.

FINANCE DIRECTOR, FCA with strong track record will help you manage, control & develop your business. Corporate finance, fin & HR ringt, toxation & co admir. Tel: 071-

ms TEL: 071 493 7830

Your Furnished Office or Mailing Address in London, Parks, Berlin, Frankfurt, Madrid

and 70 other top locations wor Call Regus on 071 872 5500

**AUCTIONS** 

**NEXT AUCTION** 

nf life assurance policies for investment will be held on Thursday 9 December Telephone H.E. Foster & Cranfield 071-608 1941 for catalogue A Member of FMSRA

Silk flowers and chips

Victor Mallet examines a father-son business in Thailand

modern management style, essential for the fast-growing, high-

His Fukkienese grandfather and his father Swie Yam Han had fled the anti-communist, anti-Chinese massacres in Indonesia in the 1960s and established car distribution and assembly businesses in

the thing to be in and he was light-emitting diode and liquid crystal display watch modules, before moving on to the manufacture of circuitry for

Then the company branched out into integrated circuits, creating Hana Semiconductor in 1984.

and semiconductor packaging business was undercapitalised and the traditional management structure was such that nobody dared to tell his father - the

becoming increasingly competitive. "No manager ever told my father My father would never be

structure." framework for the capital-intensive labour intensive forerunners. "The

With his father still urging him to sell the semiconductor business Han, applying what be had learned necessary.

Promising to go public, Han sold 10 per cent of the company to outside investors, who diluted the

to release the reins. There are companies where the father still retains a stranglebold over the whole operation."

Today, Hana is listed on the Stock

regional basis. Potential distributors with management ability and a working capital of business opportunity with a high

income potential.

Fax: 0926 412962

Your valuables are at risk if you do not keep up Tel: 071 495 4766

IMMEDIATE

Short term cash loans

available against:

1st charges property,

Antiques & Paintines.

sewellery and valuables.

Non-status -

CCJ's no problem.

Quality Jeweliery, etc.

also bought.

Bond St. Investments

BOX CLEVER AT SANDOWN Private Dining Room and Balcony at Sandown Park

Contact the Racecourse Manager now to obtain further details of the ideal corporate hospitality facility for 26 days racing in 1994. Sandown Park Racecourse Esher, Surrey KT10 9AJ

Tel: 0372 463072

Racecourse

SMALL FOREIGN EXCHANGE CO. with direct contacts to local & international hanks is looking to sell or merge with a larger FX institution that wishes a presence in the New York Foreign Exchange Market.

Box No. B2086 Financial Times, One Southwark Bridge, London SE1 9HL. Reg S Bankers 212-362-5123

WELL ESTABLISHED LEGAL. Pranches company seeks capital investment pather to expand existing national cover to Greater London during 1994. Investment required in the region of \$150,000 for a return of around \$450,000 over 23 years, interested parises (Principals only) should contact the Challman in strictest confidence, Box \$20.73. Exercises December 2000.

ESTABLISHED CORPORATE FINANCE SROKERAGE COAPANY soets finance for the funding of clients business (coporable) wide ranging asset purchases. \$2 million plus per annum. Write to Box \$2 million plus per annum. Write to Box \$2 million plus per annum. Write to Box \$2 million plus per annum. B2090, Financial Times, One Sout Bridge, London SEI 9HL

MEED HELP IN VIETNAM? U.K. businesserian, 13 yrs experience in oil industry/shipping/merketing, residing in Vietnam available for assignment to represent/promote products/services in one oil S.E. Asiets most neglected markets. Outstanding potential with numerous opportunities. For further information, please consist Beiglan Belson office. biol. 3-2162660/tec.12-3-2379702 rol. INC

82078, Financial Times, One Sout Bridge, London SEI 9HL

TRAFALGAR SQUARE Secretarial services Conference facilities Photocopier, Fax, W.P. • Hexible Lease Terms
Personal Telephone Answeriag • Immediately Available

Reinforcing Steel so 12, 14, 16, 17, 18, 22, 35

Hot - Rolled metal - Angle Piece

Channel NN 8, 10, 16

Unimetal International Ltd Moscow, Russia

Tel: 7 - 085 - 262-63-61

participation in profitable expanding company with assets in excess of \$1.50 million.

The Company's principal activities are quarrying gracite (South Africa), stone fabrication (Mexico) and some distribution (U.S.A.). The Company's strategy is in take advantage of economic development Africa and the NAPTA, and other markets world-wide.

> Yamaichi loternational (Europe) Lui 111 - 117 Finsbury Pavennut don ECCA LEO (071) 330 8123

Issued by: Yeunichi International (Europe) Limited Member of Securities and Putures Authority

COMMERCIAL FINANCE VENTURE CAPITAL Tel: 061 237 9860

LARGE QUANTITY of petrol/dissel nozzles for sale ease write to Box B2094,

C.G.T. ROLL OVER Fully managed property investment. 8% return after costs guaranteed.

PENSION FUNDS we will purchase second hand endowment policies for your lunds. Contact 0562 881296 A1 Policy Shop (Firitina.)

to sell machinery for German companies. Should any British companies be interested, apply to Tel: 0782 565646 Fax: 0782 565610

5,000 MT cocoa. "Good Ferm", 93-94. Fax: 32-2-460.21.87 -Phone. 460.35.27

mation office: 2, rae da Vigna 68360 SOULTZ, FRANCE tel/fax: +33 - 897 629 80

VCR Active private levestors & companies have cash to ignore. Tel 0491 579999

Petroff Capital

New York

MEED HELP IN VIETNAM? U.K.

INVESTORS SOUGHT by UK property dealer for hinding commerced & recidental repossession deals. Tel: 051 998 5387 Mobile 0958 276752

PC spreadsheet valuation model, as used by venture capitalists. Fax: 061 237 9795

and the second s

London SE1 9HL

Fax/Tel: 7 - 005 -202-80-13

TO BE SOLD Delivery, poss Mid Dec. 93

COSMETIC LAPORTER-DISTRIBUTOR
for Colosé
home-sale mericeing in different
coontries. High quality, Swiss-made,
natural coemetics, sold worldwide for
wer 25 years. For information: "Colosé
information of the Colosé
info

## and Commercial Propertie

**CONTRACTS & TENDERS** Warwickshire County Council is seeking to appoint a balanced fund

The following details should be read in conjunction with the "model

Tel: 0926 410410

Management of a balanced superannuation investment portfolio of approximately £160m

On behalf of the Superannuation Fund which is situated as in 1. (a) by law.
(b) P3 (1) (a) and P3 (5a) of the Local Government Superannuation Regulations 1986. (c) Not applicable

option subject to satisfactory performance. Not applicable. Not applicable.
 b) 17th December 1993.
 c) Warwickshire County Council,
 PO Box 3, Shire Hall.

If the company is a member of a group of companies, the ultimat holding company will be required to guarantee contract . The minimum standards will be set out in the questionnaire that

The contract will be awarded for a 12 month period with a renewa

will be sent to all appropriate respondents. A short list will be drawn up based on the questionnaire responses. This will be followed by visits to fund managers offices and presentations to the Investment Panel.

15. 9.11.93

Winters, Group Accountant.

For further details contact: BIAS (London) Ltd. 28 Grosvenor Street, London W1X 9FE Tel: 071-917 9711 Fax: 071-917 6002 ISRAELI/ P.L.O. INVESTORS SOUGHT PEACE ACCORD Massive international financial aid m be directed to GAZA and West Bank, Businessmen and companies from there argently require conract with British & European companies, vishing to make business there. Sen your address and field of activity.

> CHANNEL ISLANDS Offshore Company Portustion and Administration. Also Liberia. Panama & BVI etc Total offshore facilities and services.

Hamam International Co Ltd.

36 Branswick Terrace, Hove,

Page Support, BN3 1HA

Fax: 0273 730306

Luxury motor yacht "Cockney Rebel"
Corporate bospitality basiacas
Available for use by investors
Investment sought in manches of
£5,000 (minimum £10,000)
Provisional Indam Revosus clearance
for BES approval offering automatic
text benefits to investora

Parther details from: Mr A Thomson, Hann Morrison Thouston, Chestered Accountants, 78 Altwood Road, Malicophend, Striphice, SL6 492, Tel: 0628-789753 or Paz: 0628-789752 Well established and successful overseas company requires a aster Franchise in the U.K. for a innovative retall business.

FULLY FURNISHED OFFICES Regus Tel: 071 872 5959 Your Partner in over 30 International Susiness Location

OFFER TO SELL

L=6m 45 ° 45 ° 5 50 - 50 - 5

63.63.6 Prepared for despatch in Port Kherson (Black Sea)

INTERNATIONAL CONSTRUCTION PRODUCTS CO. one of interest invited from strategic and/or financial partners for equity

> For further information please contact-Kevin R. Colt

An experienced businessman will be travelling to CUBA shortly. Purpose,

Financial Times, One Southwark Bridge,

For full details Telephone: 0686 640269

COMMERCIAL FINANCE/VENTURE CAPITAL , sensible rates, sensible fees, Anglo American ventures Fast 0824 201377 GREETINGS

Well known greeting card publishing company is licensing the distribution of its products on a £25-50k are offered a substantial

Tel: 061 491 5575

manager company to manage an investment portfolio on behalf of the Warwickshire County Council Superannuation Fund. Notice was sent to the Official Journal of the European Communities (OJEC) on 9th November 1993.

notice · negotiated procedures" under the Services Directive Warwickshire County Council, (Adminstering Authority for the Warwickshire County Council Superannuation Fund) PO Box 3, Shire Hall,

Category 6.b: Portfolio management services. CPC Ref: 813 8132 81323

Must tender for all of the service. A short list of 4 to 8 tenderers will be invited to tender. Variants will not be accepted.

Warwick CV34 4RH

13. Not applicable. 14. Other information during office hours from the address in 1, Oliver

16. 9.11.83

17. Not applicable.

Please reply m Frith Overseas For details and appointment write Crey Trust Ltd., Belmost Horse, 2-6 Belmost Rd, St Belfor, Joney, Cl. Tel: 6347 78774, Fra: 6334 35401 Th. 4192227 COFORM C Research Associates, Snite 500, ham House, 150 Regent Sure London WIR SPA

7



## Swithland Group PLC

## Motor Dealerships - Midlands

The Joint Administrative Receivers offer for sale, as a going concern, tha business and assets of the Swithland Group PLC and its subsidiary companies, a well established group of car dealerships which traded from freehold and leasehold premises and formerly incorporated full manufacturers tranchises, used car centres, together with the associated activities of petrol retalling, car hire, bodyshop, service and repair centres.

Nottingham (freehold)

Chesterfield (freehold)

Used Car Centre and

**Texaco Petrol Station** 

1992/93 unit sales:

Leicester, Woodgate

Used Car Centre

1992/93 unit sales:

1992/93 unit eales:

New - 50: Used - 158

Previously Fiat/Lancia

Franchise, Used Car

Centre and Car Hire

New ~ 200; Used ~ 379

1992/93 unit sales:

Leicester, Blackbird Road

Previously Fiat Franchise

Birmingham, Hall Green

and Car Hire

**Used Car Centre** 

Used -- 340

Used ~ 318

(Ireehold)

Used 526

(freehold)

(freehold)

1992/93 unit sales:

The group's motor vehicle activities operate from locations as follows:

Mountsorrei, Leicester (freehold) Head Office, **Used Car Centre** and Car Hire 1992/93 unit sales: Used ~ 388

Mountsorrel, Leicester (leasehold) Previously Ford (Retall Dealer Service) and Jet Petrol Station

Sileby, Leicestershire (freehold) Previously Ford (Retail Dealership) and Used Car Cantre 1992/93 unit sales:

New - 175; Used - 141

Hinckley (leasehold) Previously Proton Franchise, Used Car Centra and Car Hire 1992/93 unit sales: New ~ 25; Used ~ 99

Additional sites are as follows: Earl Shilton, Leicester (freehold) 1992/93 unit sales: 151 Manafield (freehold) 1992/93 unit sales; 184 Kenilworth (leasehold) 1992/93 unit sales: 195 Leicester, Catherine Street (freehold)

1992/93 unit sales: 156 Birmingham, West Bromwich (freehold) 1992/93 unit sales; 292

Further activities include: Loughborough (leasehold) (Wymeswold Hall) - Gordon Banks Promotions, Provision of corporate hospitality service.

Derby (leasehold)

Used Car Centre

1992/93 unit sales:

Nottingham (freahold)

Leicester, Norman Road

**Body Repair Centre** 

1992/93 unit sales:

and Car Hire

Used - 531

Used - 340

(leasehold)

(leasehold)

Parts Warehouse

Previously Rover

Market Harborough

Franchise, Used Car

Cantre and Car Hire

New - 75: Used - 152

Kidderminster (leasehold)

1992/93 unit sales:

Previously Proton

Used Car Centre

1992/93 unit sales:

New ~ 20; Used ~ 300

Franchise and

Loughborough (leasehold) (High Street) - JR Personnel, Personnel recruitment and training services.

For further information please contact the Joint Administrative Receiver, Myles Halley or John Wheatley, KPMG Peat Marwick, Peat House, 1 Waterloo Way, Leicester, LE1 6LP. Tel: 0533 471122, Fax: 0533 547626, or contact a member of their staff at the company's premises at Mountsorrel, Leicester. Tel: 0533 374247, Fax: 0533 591399.



## Glass & Glazing Limited

(In Receivership)

Southampton

The above company manufactures a wide range of uPVC windows and double glazed units for the trade.

- Wide customer base
- Glass handling and cutting line ■ Sealed unit line
- uPVC production line
- 3 leasehold properties
  - Skilled workforce ■ Turnover £3 million

For further details contact the Joint Administrative Receiver, Peter Hall, Grant Thornton, 31 Carlton Crescent, Southampton SO1 2EW. Tel: 0703 221231. Fax: 0703 330443.

Grant Thornton

## Retailers of Wool and Children's Clothing

Kent and Surrey

Ghinns Limited (In Receivership), established over 100 years, is a well known High Street retailer of wool, baby and children's clothing and equipment

1:10 Turnover £2.7 million per annum 16 retail outlets averaging 1,150 sq.ft each, 1 freehold, 15 leasehold in High Street sites throughout Kent

and Surrey 4,800 sq ft of leasehold warehouse and offices in Orpington, Kent Extensive range of stocks, including

established own label For further details contact the. Joint Administrative Receivers: Len Handscombe or Peter Flesher, Grant Thornton, Ashdown House, 125 High Street, Crawley, West Sussex

RH10 IDQ. Tel: 0293 561383. Fax: 0293 561392.

Grant Thornton

#### ANNOUNCEMENT FROM SÜMER HOLDING A.Ş.

ري

As a part of the privatization programme Sumer Holding A.Ş. offers for sale its Antalya Cotton Textile Joint Stock Company by sealed tender and sale negotiations procedure.

THE PLANT TO BE SOLD	SHARE CAPITAL OF THE COMPANY (1000 TL)	PERCENTAGE OF SHARES SUBJECT. FOR SALE (%)	NOMINAL VALUE OF SHARES (1000 TL)	AMOUNT OF BID BOND (1000 TL)
ANTALYA Cotton	22.800.000	88.36	20.146.500	3.000.000

Stock Company (Antalya Pamuklu Dokuma Sanayi T.A.S.)

- The Information Document and sale specifications of the above company is available for a fee of TL 250.000, at the General Directorate of Sumer Holding A.Ş., at the address below.
- 2- The offerors are required to provide an irrevocable, unconditional (payable at first demand) tender bond for an amount of 3.000.000.000 Turkish Liras and valid for a period of at least six months to the below address of the General Directorate. Offers prepared in compliance with the sale specifications should be submitted to the Correspondance Department of Sumer Holding A.S. General Directorate at Cankin Caddesi No. 2 Ulus/ANKARA, not later than 3 P.M. on January 20, 1994. Delays in post shall not be accepted.
- Sümer Holding A.S. is not subject to the restrictions specified in the State Tender Law No. 2886 dated 8 th September 1983 and reserves the right to decide whether or not to sell the plant and to extend the deadline of the tender, if deems necessary.

Cankin Caddesi No: 2 06042 Ulus/ANKARA-TURKEY Phone: 00-90-312-310 38 30 Fax: 00-90-312-311 72 33

FOR SALE

Price: 60 mio Bef or US \$ 1.7 mio All equipment and personnel included. Tumover 1.2-2.2 min US & per annum. High profits. Clients: 15,000 entrepre

Contact: Tel 32/3/777-39.92

D. Hall

(Precision

Engineers) Ltd.

The Joint Administrative Receivers

WS Martin and D Bailey offer for sale the

business and assets of the above company

Long established precision

railway industry and sub contract engineers

in the Stoke-on-Trent area fully equipped with

Excellent customer base Turnover in excess of £500k

manutacturing specialised components for the

Operating from irrehold premises located

on a going concern basis.

Skilled worklarge

CNC and conventional machine books.

#### **British Rail Maintenance Limited** and Level 5 Depots

**British Railways Board** is considering the sale of its rolling stock heavy maintenance works facilities

The works facilities proposed for sale provide the majority of British Rail's rolling stock heavy maintenance requirements and handle both passenger and freight rolling stock. They are located at Doncaster, Eastleigh, Springburn (Glasgow), Wolverton, Ilford and Chart Leacon (near Ashford in Kent). Also being sold are two electronic service centres at Swindon and Eastleigh. In the year to 31st March, 1993 the works facilities reported combined turnover of some £186 million.

Any party interested in this possible acquisition opportunity should contact Mr. I. Rawlinson: Lazard Brothers & Co., Limited, 21 Moorfields, London ECZP 2HT (telephone 071-588 2721; fax 071-628 2485) by Friday, 10th December, 1993.

This advertisement is issued by British Railways Board and has been approved by Lazard Brothers & Co., Limited for the purposes of section 57 of the Financial Services Act 1986. Lazard Brothers & Co., Limited is a member of SFA.

## Touche Ross

#### John Williams Foundries Limited

(In Administration)

The Joint Administrators, R. G. Ellis and A. M. D. Bird, offer for sale the business and assets of the above company located at the Curran Embaukment, Cardiff.

- Principal business manufacture of alloyed and unalloyed ductile
- Leasehold Property 90,000 sq. ft. Turnover approx, £9 million.

Tel: 0222 481111. Fax: 0222 482615.

On the Instructions of Mr KA Robinson FCA. Receiver and lanager, Auglo International Hotels Limited (In Receivership

**型ERNST&YOUNG** 

WHITE'S HOTEL

Governor's Parade

Gibraltar

- Purpose buik 122 Bedroom Hotel

- Roof Top Pool and Bar with Sun Terrace

- Adjoining building with development potential

£6,000,000 freehold

For further details please contact Gerard Nolan

Tel: 071 486 4231 Fax: 071 935 4032

- Generally 4 Star standard

- Restaurant and Lounge Bar

- 3 Conference Rooms

Banqueting Rooms

- Private Penthouse

- Niche market for turbocharger housings and high pressure filter
- Commensurate high level quality approvals.
- Approximately 300 employees. Substantial order book for Blue Chip customer base.

Blenheim House, Fitzalan Court, Newport Road, Cardiff CF2 tTS.

For further information, please contact J. Reid, C. Trigg or P. Evans at the company on 0222 397231 or alternatively at the address below.



BUSINESSES FOR SALE

> Appear in the Financial Times on Tuesdays, Fridays and Saturdays.

For further information or to advertise in this section please contact

> Karl Loynton on 071 873 4780

Melanie Miles 071 873 3308

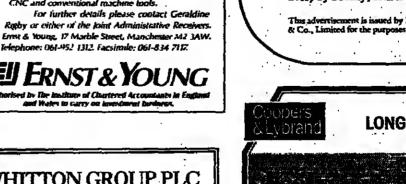
FINANCIAL TIMES

(In Administrative Receivership)

● Light Gas Turbine Generator Division.

For further information, please contact Andrew Stoneman or Keith Gibsen at Buchler Phillips Group, 84 Grosvenor Street, London W1X 9DF.

> BUCHLER PHILLIPS CHARTERED ACCOUNTANTS traborised by the Institute of Chartered Accountants England and Wales to earry on investment business



#### THE WHITTON GROUP PLC

The Joint Administrative Receivers, Simon Frenkley

and Lee Manning, offer for sale the businesses and useess of the Whitton Group. The Group includes: ■ Industrial Gas Turbine Accessory Division.

• Precision Engineering Division. Gross sales year ended March 1992 totalled app

# LONG ESTABLISHED PLANT NURSERY

The Joint Administrative Receivers offer for sole as a going concern, the business and assets of this plant nursery in Somerset, the oldest commercial nursery in England. Principal features of the business include:

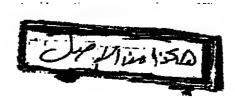
40 core freehold premises at Langport, Somerset

principal UK supplier of peonles; major supplier of irises, bulbs and herbaceous plants extensive mail order list

turnover of £579,000 for 11 months to 30 September 1993

business established in 1851.

For further Information please contact the John Administrative Receiver, R W Birchall, at Coopers & Lybrand, 66 Queen Square, Bristot 8S1 4JP. Telephone: (0272) 292791. Fox: (0272) 307008.



to boos

defence .

## **Experts** tackle the bills

lectricity is one of the highest costs for the water industry because of the power needed to run pumping stations 24 hours a day. An Israeli company, with a staff of six is now winning orders from UK water companies for a UK water companies for a computerised control system to cut

those bills. Welsh Water, the first to have the system running, says it is saving up to 15 per cent of its electricity bill at its biggest treatment works, Court Farm, supplying Cardiff and Newport. This should mean an annual say. ing of more than £100,000. The system, called WaterExpert and designed by Intellect Expert Systems, is also being developed

at two of its other plants.

The impetus for WaterExpert
was the electricity price pool –
the complex wholesale market set up when the electricity industry was privatised - and the need to match water demand with the optimum tariff. Michael Harrington, divisional operations manager for Welsh Water, says: "With the electricity price changing 43 times a day, the only way to control that is with some form of expert system. It is a very difficult job to do it manually or mentally."

Fed into WaterExpert, which uses a PC with software tailored to each plant, are factors such as reservoir levels, river abstrac-tion rates, water quality, weather forecast and likely demand. It then produces a 24 hour operation schedule, either on-line or off-line, to initiate the opening and shutting of pumps and valves. The plan is modified automatically to take account of changes in demand or a mechanical failure, but it can also be adjusted by the operator.

Intellect Expert Systems says WaterExpert should pay for itself within a year and the company has orders from three other UK water companies, John Roberts, works controller at Court Farm, says: "The system is very user friendly. It does save electricity costs and management time - there is not so much time spent with paper and

Roland Adburgham

ntrigued by glowing accounts of rich information resources and hired by the promise of a free international electronic mali service, computer users are signing up in droves to services that offer access to the Internet, a global

web of computer networks.

Already, the Internet links thousands of computers and an estimated 15m computer users. One million new subscribers a month are said to be hooking up their com-

puters to "the Net".

Public awareness of the Internet has been raised in part by the Clinton administration's promotion of the "national information infrastructure" as a development thet will bring broad economic and social benefits to all Americans.

The Internet is the precursor of the high-speed information super-highway system. It provides free ess to thousands of computer databases, the opportunity to engage in a myriad of on-line debates or special interest group discussions and the ability to exchange electronic messages with other users almost anywhere in the world at little or no cost.

From its genesis in a 1969 US Defence Department project to pro-vide computer links between researchers at US universities and national laboratories, the Internet has grown into a vast web of public and private computer uetworks. about half of which are in the US Although it lacks the speed and bandwidth of future information superhighways, the Internet demonstrates the potential value of data communications, as well as some of the challenges that lie ahead on the information superhighways. By creating digital links to distant information resources, for example, the Internet is beginning to elimi-nate the constraints that geography places on access to education, jobs

or the networking neophyte, entering the Internet feels like arriving in a foreign city where you don't know a soul and can't speak or read the language. At first, you suffer from culture shock and finding your

way around is a real challenge. To master the Internet, you should be prepared to invest considerable time and effort. "User friendly" is not a term that has etrated cyberspace.

Prior experience in using commercial on-line information services such as Compuserve, Prodigy or America Online will give you a head-start. For many PC users, these easy-to-use services may prove more rewarding than launching into the unstructured world of the Internet. They have recently started offering an electronic mail service over the Internet at a small charge.

The Internet global network is leading the way down the information superhighway, writes Louise Kehoe

## Casting the net worldwide

"[Students] can now access Nasa, leave messages for the astronauts, browse around in libraries larger than they will ever be able to visit ... read world and national news that appears in newspapers that are not available in their small towns ... change tha way they feel about the size of their world," a teacher from a small Texas school district writes in "The National Information Infrastructure: Agenda for Action", a report by Clinton's Information Infrastructure Task Force (IFTF).

Businesses are taking advantage of the vast libraries of research reports available on the Internet. Small companies that cannot afford private computer networks can use the Internet to link distant sites. Software developers and insurance companies are using the Internet to shift labour-Intensive programming and data processing jobs to low-cost regions of the world.

The growing use of the Internet also points to an urgent need for higher capacity information highways. Already, there are data traffic jams on the Internet as millions of new users explore its resources. New high-speed data channels are essential if the whole system is not to become gridlocked.

net may not, however, be sufficient to provide broad public access to information resources. Indeed, the history of the Internet would suggest that it may encourage even more traffic. The establishment in the 1980s of the National Science Foundation Network, which provided a high-speed "backbone" for the Internet, spurred a vast increase

The entire information infrastruc-ture - "bridges" linking different networks and "on and off ramps" providing access to individual computers - will have to be upgraded if there is to be "universal access" to information resources as the Clin-

ton administration is insisting. The shortcomings of the Internet also raise questions about the design of information superhighways. Despite its rising popularity, the toternet can be fully exploited only by people with a significant degree of computer expertise.

To be accessible to a broader spectrum of society, information superhighways will have to be far easier to use. This will require the development of interface software that hides the complexity of the network from its users.

The lack of any central control

grow rapidly as thousands of regional and local area computer networks have plugged in. How-ever, the flexibility of the Internet also makes it far more complex.

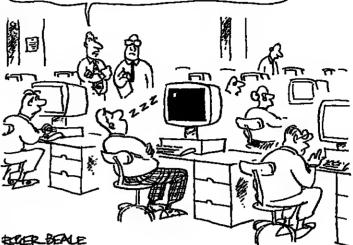
There is, for example, no catalogue of resources on the toternet. The toternet is therefore difficult to use unless you know exactly what you are looking for and where to find it. Similarly, the Internet lacks the equivalent of a telephone directory. To send messages to another Internet user you have to know their Internet address, but there is nowhere to look it up.

Data security is another weak-

ness. As numerous security violations have shown, bowever, ensuring data privacy may prove difficult. The thorny question of the rights of law enforcement officials to "snoop" on the data highway has also to be addressed.

Access to vast amounts of information is not the wbole answer. The power to discover the right information quickly and easily, to separate "nice to know" from "need to know" information is essential if information superhighway users do not drown in electronic "junk info". Perhaps the most critical issues raised by the Internet relate to

BRUBAKER SEEMS TO BE PARKED IN A REST AREA SOMEWHERE OFF THE INFORMATION SUPERHIGHWAY



Internet, anybody can copy any material - whether it be a newspaper article or a graduate thesis without charge. Essentially, this means an individual who posts information on the Internet forfeits

rights of ownership. The IITF is currently evaluating the oeed for a system that enables information providers to collect royalties for copyrighted products delivered or made available through information superhighways.

The Clinton administration bas acknowledged that unlike the Internet, the information superhighways of the future will be built and controlled by the private sector. However, the government will have a A challenging skill to master

that all Americans have "universal service at affordable prices" and in writing the "rules of the

Commercially owned, government-regulated, high-speed informa-tion networks will be capable of delivering a myriad of services, ranging from interactive television and on-line shopping to video-conferencing and information services akin to those of the Internet.

Ironically, bowever, while newcomers to "telecomputing" may welcome such developments, veteran Internet navigators fear commercialisation and regulation will doom the free-wheeling spirit that has enabled the Internet to

Published by Addison Wesley, A pocket-sized guide with plenty of Internet lore. The Internet Guide for New Users.

By Daniel P Dern. Published by McGraw-Hill. A comprehensive reference book. Connecting to the Internet, By Susan

Estrada. Published by O'Reilly & Associates. Practical information on how to get hooked up to the Internet. Zen and the Art of the Internet: A

Beginner's Guide to the Internet. By Brendan Kehoe, Published by Prentice-Hall. Short and sweet, everything you need to know to get

The Whole Internet User's Guide and Catalog by Ed Krol. Published by O'Reilly & Associates. This is the Internet Bible. It is encyclopedic

## newsgroups that are constantly

limited budget, sign up with one of the Internet public access services - CIX in the UK and The Well in California are well-known mong Internet aficionados Participating in one of the numerous conferences or

more adventurous, or a more

If you have a taste for something

under way on the Internet is a good way to get your feet wet. While you can learn a lot from these, the most valuable function of the Internet is the access that it provides to remote databases. Learning how and where to find useful information is the biggest challenge for Internet

Several information search-and-retrieval tools are available on the Internet. The best known include Archie, Gopher, WAJS and World Wide Web. Each offers a standard method of finding information and downloading it from various computers on the Internet, Details of how to use these programs can be found in several Internet guidebooks.\*

But even if you know where to look for whatever it is yon are trying to find on the Internet, you still face the challenge of figuring out the commands needed to get to the files you are seeking. Unfortunately, depending upon the type of computer you are using, and where your travels take you

on the Internet, you may find yourself facing computers that 'speak" several different dialects. A knowledge of the Unix

operating system is "useful", the experts suggest. This is rather like saying that it may be useful to speak French if you are going to live in France, You can survive without the language, but will be at a big disadvantage.

Even disconnecting from the system can be a challenge. "Try one of these commands; exit, quit, logont, leave, goodbye, ciao, disconnect, CTRL-D or CTRL-Z," Tracy LaQuey and Jeanne Ryer advise in The Internet Companion. a beginner's guide. If none of these works, "press lots of keys to

If this sounds like too much to handle, do not despair. America

abort". With lnck you will hit the

right combination.

Online, one of the easy-to-use commercial information services is promising to deliver full Internet access via its point-and-click graphical interface next year. In the meantime, the good news

is that sending and receiving electronic mail on the Internet is quite straightforward. Put an Internet address on your business card and everyooe will assume you are already a network wizard

\*Internet Guidebooks: The Internet Companion. By Tracy LaQuey with Jeanne C Ryer.

On the instructions of the Joint Receivers, F. Blin and G.L. Rankin of Coopers & Lybrand, Glasgow

Humberts Leisure

#### Craobh Haven, Oban, Scotland

An established modern marina and esidential development opportunity

 250 serviced berths and comprehensive shorebased marina facilities
 Marina turnover circa £500,000pa with planning for 500 berths in all
 Site designated Settlement Status within proposed amendment to Local Plan, with potential for in excess of 300 dwellings
 In all about 167 acres around established village and leisure core For sale as a whole or in lots

Offers invited Joint sole agents: Humberts Leisure 071-629 6700 Fax: 071-409 0475 Ryden 041-204 3838 Fax: 041-204 3354

HOTELS & LEISURE

#### \_GARRICK 17t

DAVID GARRICK LTD

85 New Cavendish Street

1 de Walden Court

London WIM 7RA

Tel: 071-631 0659

Fax: 071-436 4311

#### FOR SALE

#### PLASTICS INJECTION MOULDING MANUFACTURER

We are retained by the owners of well run and successful business to assist in locating a suitable purcha

Key Characteristics:

- 1993 £21/2M plus Adjusted pre-tax profits:
- High value niche market sectors

#### tent potential on own or a bolt-on opportunity

DAVID BAXTER

T/O increasing each year;

- £325,000 plus
- Favoured supplier status with key
- Modein mechinery in multi-unit

For further information, contact

#### TO LET FOOD PROCESSING & PACKING FACTORY NORTH EAST BASED

Premises 8,000 sq. ft., EC approved standards, part temperature controlled. Two Afos smoking plants, automatic vacuum and skin packing equipment, cold and chilled storage facilities all available if required.

For further details, please contact: A.W. Bage, Heritage Food Group (UK) Ltd, Hambleton House, 52 Church Lane, Ormesby, Cleveland TS7 9AU Tel: (0642) 325050 Fax: (0642) 321566

## SPARK & MIRE EDOSION COMPANY FOR SALE

**BUSINESSES FOR SALE** 

Spacialising in spark & wire erosion our client holds a prestigious market advantage over the usual run-of-the-mill anginaaring business. Dealing with packaging, plastics, & precision engineering companies situated throughout the North. This company has consistently produced good profits and would suit sub-contract engineers seeking steady profit stream or core business for young 'buy-in' holdings group.

- Freehold Land and Buildings
- No Debt ■ Excellent Plant & Machinery Inventory
- Blue Chip Customer Base

Earn-out will be considered. All enquiries Rosehiil Lydiate. Merseyside L31 4JF Tel: 051 526 4008 Fax: 051 526 1673

ANTHONY ASSOCIATES

#### FOR SALE

Well established Construction, Maintenance and Industrial Cleaning Company with high profit situated in the East Midlands.

> £4.5m Profit before proprietors remnneration £600k

Good cash flow and growth potential.

# Contact in the first instance: Hurold Jevons P.C.A., Managing Partner Neville Bussell, Chaptered Accountants, 11 Charandos Street, Notingham, NO1 5118. Tel: (0602) 417408

FOR SALE

SMALL PACKAGING COMPANY ing in producing packaging for the fresh food market. The Company has a £2 mover with good profits and lints or no borrowing and modern plant and t. Excellent growth rate and potential with new unique products ready for 1994, with unusually exceptional financial prospects.

Write to Box B2061, Financial Times, One Southwork Bridge, London SE1 9HL

RECEIVERSHIPS/LIQUIDATION - PINK PAGES -

Free sample copy

Tel: |0273) 626881. 24 Hrs

The weekly guide to every ent company. Direct cont Fully indexed according to company type.

#### B&A MAGAZINE

advertisas businesses for sale and auction of asset

Tel: 071-262-1164

Fax: 071-706-3464

#### **OFFICE EQUIPMENT**



#### FOR SALE

Raised Access Floor company with projects turnover for 1993 approaching £1m. Offer comprises tooling, plant, small stock of finished goods, product design rights together with full compliance

PSA/MOB certification and outstanding quotation bank. Telephone: Mr M Clark (0424) 853322

#### Precision Engineering Company For Sale

Midlands based manufacturer of precision components and cable harness/linkages, close to M6 and M69. Turnover in the region of £750,000, gross profit approaching 40%, overall breakeven position. Good customer base with high

evel of repeat business Write to Box No B2093. Financial Times, One Southwark Bridge, London SE1 9HL

SPECIALIST SILK SCREEN PRINTERS AND HOT FOEL BLOCKERS LOCATION EAST NGLIA, GOOD PROFITS/STRONG BALANCE SHEET. BLUE CHIP CUSTOMER LIST. T/O £500K (FREE SUE GOODS). RETIREMENT SALE.
Write Box, B2080, Francial Times,
One Southwark Bridge, Loodon SEI Wil.

FOR SALE importani Motorway private service centre for Bunkering etc. tial for 10 loads derv per day, rofits, long lease for sale. Free of tie Write to Box B2095, Financial Times, me Satakwark Bridge, London SE I 9HL

#### P.D.C. Eley & Co Fax: 081 940 5007 Tel: 081 940 0788

Reference: "Oak"

IT & MANAGEMENT

TRAINING BUSINESS

Primarily London Based

Turnover £1.5m

For further details

please contact:

FOR SALE Long lease nn Filling Statinn 2 mittion gallon sales of petrol p.a., free of tie, shop sales £4,000 per week, wash £500 per week.

Write to Box B2096, Financial Times, One Southwark Bridge, London SEI 9HL

## All Advertisement bookings are accepted subject to our current Terms and Conditions, copies of which are available by writing to

The Advertisement Production Director One Southwark Aridge London SE1 9HL Tel: 071 873 3223 Fax: 071 873 3064

#### **BUSINESSES WANTED**

## Forwarding & Distribution

Our client, a major international transport group, is seeking to acquire forwarding and distribution organisations with existing business in the Far East and US trades.

Turnover should be in excess of £30 million with a recent history of profitability. Management should retain an ongoing involvement.

Replies will be treated in strictest confidence. Principals should in the first instance express their interest to:

Dominic McGlynn, Harold Whitehead & Partners, (A division of Doric Management Consultants) Bluegates, Willow Avenue, Oxford Road, Denham, Middlesex UB9 4AF Facsimile: 0895-813 830.

and/or

**Location: Midlands** 

Contact: John Harris

#### **MERGER/ACQUISITION**

its ICL Mainframes and an annual profit of around £400k is seeking an acquisition/merger with a similar company or one where chieve a Stock Exchange quotation.

Replies in strictest confidence to: Mr P.T. Williamson. Touche Ross & Co., 10-12 East Parade, Leeds LS1 2AJ.

DEFENCE EQUIPMENT

We are interested in acquiring: SMALL NICIE DEFENCE EQUIPMENT MANUFACTURERS

NON-CORE DEFENCE POLITPMENT

MATURE DEPENCE EQUIPMENT

PRODUCT LINE THAT WILL REQUIRE SUPPORT IN THE FUTURE

r A. Stainton - Managing Director
REPAIRCRAFT PLC

Tel (0483) 273536 Fax (0483) 278078

BUSINESS WANTED

**Existing Transport Company** 

vishes to acquire small general haulage company with own

articulated fleet and operating curtain sided trailers. Company need not be profitable, but should

have sound customer base.

Apply in strictest confidence to

rthwark Bridge, London SE1 9HL

COMPUTER SERVICES

companies wanted (hardware companies wanted (hardware maintenance, networks, facilities management, applications software, etc. I for acquisition or marger. Please contact Rused Robinson, ND ServiceTeam Limited, Benham Valence, Newbury, Berks RG16 8LU. Tel (0635) 511251 Fax (0635) 511250

Box 2081, Financial Times, One

Please contact in confid

#### WANTED LIGHT ENGINEERING COMPANY

Turnover in excess of £im per annum

North West/ West

#### Mount Street MANCHESTER

WANTED Farward thinking company purchase and develop a

Management to be retained Write toBox No. B2083 Financial Times, One Southwark Bridge, London SE1 9HL

TRANSLATING BUSINESS - Based in S. England. Write to Box B2087, Financial Times, One Southwark Bridge, London SE1 9HL

ESTABLISHED CORPORATE FINANCE BROKERAGE COMPANY social finance for the funding of clients business? corporate, wide renging asset purchases. \$2 million plus per annum. Write to Box 90. Financial Times, One Sout

Bridge, London SE1 9HL

## WANTED

**Precision Engineering Presswork Businesses** 

**BUSINESSES WANTED** 

Turnover: £500k - £10 million

#### Cash purchaser

Harris Watson Holdings plc 44-45 Water Street Birmingham B3 1HP Tel: 021-233 9700

A company with around £4 million of chargeable processing from rationalisation is being considered. The intention would then be to

Under-utilised premises

The McInnes Partnership

#### 061 839 2399

with cash available wishes to business in the West Midlands Service or Manufacturing business
 Sales around £500,000

#### HOTELS

OEVON Detached 40 bedroom Licensed Hotel (36 rooms en suite), Bar, Lourige, Restaurant, Laisurs Clut, Indoor Pool, Sea Vlewe, Fire Cert, Central Heating, Lift, Receivership Sale. \$200,000 going

tures

## When national limits are legal

restrictions, the Court referred to

its 1979 landmark decision in the

The Court said this held that, in

the absence of harmonisation of

legislation, import restrictions

prohibited by the treaty included

obstacles to the free movement of

goods where they were the conse-

quence of applying national rules

laying down certain requirements

to be met by goods to imports

from other member countries where they are lawfully manufac-

tured and marketed, even if those

rules apply without distinction to

The only exception was when the application of the rules can be

justified by a public-interest objec-tive taking precedence over the free movement of goods.

But the Court then said: "How-

ever, contrary to what has previ-ously been decided, the applica-

tion to products from other member states of national provi-

sions restricting or prohibiting

certain selling arrangements is not such as to hinder directly or

indirectly, actually or potentially,

trade between member states within the meaning of the Dasson-ville judgment", provided that the non-discrimination conditions are

The Court said this kind of rule

The judgment is important for

falls outside the scope of the

treaty ban on import restrictions.

business. First, the Court has set out to clarify the Rome treaty's

ban on import restrictions in the

context of national rules which

limit commercial freedom but are not aimed at products from other

to re-examine and clarify its case law in view of the increasing ten-

dency of businesses to invoke the

treaty ban on import restrictions as a means of challenging any rules which limit their commer-

cial freedom, even where such

rules are not aimed at imports

is "contrary to what has previ

ously been decided".

Jained Cases C-267 and 268/91,
Bernard Keck and Daniel Mithouard, ECJ FC, 24 November 1993.

BRICK COURT CHAMBERS

from other member countries. Second, the Court expressly acknowledges that this new ruling

It specifically refers to the need

member countries.

"Cassis de Dijon" case.



restricting or proselling arrange hibiting certain ments do not infringe Rome treaty rules on the EUROPEAN free movement of

goods, provided the laws are not aimed at imports from other member countries and provided they have the same effect on the commercial freedom to market domestic products as on imports, the European Court ruled last week.

In a landmark ruling, all 13 judges said that, where those conditions were satisfied, this kind of national regulation was not by its nature intended to prevent or hin-der access to the market by imports any more than it impeded the access of domestic products. The Court's ruling was in

response to questions raised by

the Strasbourg Tribunal de Grande Instance in connection with criminal proceedings against a Mr Keck and a Mr Mithouard. They were prosecuted for resell-ing products in an unaltered state at prices lower than their actual purchase price, in contravention

of the French law which prohibits resale at a loss. in their defence, they argued that a general prohibition of resale at a loss was incompatible with the treaty ban on import restrictions as well as other rules on free

movement and competition.

At the outset the ECJ said that it was only appropriate to look at prohibition of resale at a loss from the perspective of the free move-ment of goods, since the prohibi-tion was concerned with the mar-

keting of goods. The Court confirmed its 1974 ruling in the Dassonville case that any measure which is capable of directly or indirectly, actually or potentially, bindering intra-Community trade can constitute an import restriction prohibited

However, the fact that such legislation may restrict the volume of sales in the market concerned, and therefore the volume of sales of imports, is not decisive. It was not the purpose of national legislation imposing a general prohibi-tion of resale at a loss to regulate trade between member countries.

Before making its new ruling clarifying the scope of Community

t will come as no surprise to European law firms that US lawyers have a pretty high opinion of themselves when it comes to providing international legal services.
Their opinion of European law-

yers, however, is not so flattering. According to a survey of America's top 400 law firms, conducted by Global Research, the market research organisation, US lawyers believe their European counterparts are less hard-working and less capable of taking an aggressive commer cial stance in deal-making.

Comments ranged from the relatively restrained: "We are ahead on the cutting-edge developments in capital markets" - something Link-laters, Allen & Overy, Clifford Chance, Slaughter and May and Freshfields might dispute - to the more forthright: "US firms take a more proactive approach, whereas the Europeans only react when asked to.

Historically, there may be some justification for such a viewpoint. Many US corporations active in international markets have pre-ferred to take their US lawyers with them rather than look for a suitable local alternative. US investment banks also appear to be more com-fortable working with US lawyers. But it is questionable whether such a gap still exists between the leading US and European firms, particularly in western Europe, which is viewed by US law firms as their most important international jurisdiction. Even in the Asia/Pacific region, regarded by the Americans as their second most important market, the gap between the US firms and the UK and Australian firms has closed in recent

Nevertheless, respondents to the survey felt they had a competitive advantage over non-US law firms when operating in foreign jurisdic-tions for several reasons. These included greater knowledge and understanding of multinational commercial transactions, a stronger work ethic, more expertise in specialist areas, greater efficiency and more competitiveness on price.

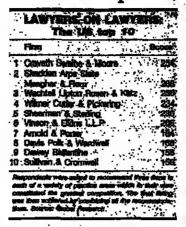
The price question - whether US law firms are cheaper than Euro-peen ones - is likely to remain unresolved while there continues to be such a difference of approach in the way that firms bill their cli-

The American claim to be cheaper appears to be based on the assertion that they are more pro-ductive. The number of hours billed by US lawyers last year averaged 1,752 for partners and 1,864 for associates, compared with an average of 1,570 and 1,520 respectively in Ешгоре.

But these figures ignore the revolution that has taken place in charging practices over the past

# View from from their Singapore bases. This deal, sever Global Research, underthose more than envising that there is no right of wrong approach to oversees expectation. Those firms still undecided on their best strategy must also bear in mind that the international legal market is changing. US and UK firms are increasingly competing for international work or each other han Europeans, says Robert Rice The UK law firm, to have a US qualified regulatory favore in its New York office. It was followed by the amounts must be several New York firms that they would shortly begin of a classe of the rest of the rest of the rest of the research of the rest of the re

US lawyers claim they are better than Europeans, says Robert Rice



two years, such as contingency and success fees, brought about by the recession. US firms apparently still rank the number of hours spent on a job as the most important criterion when billing clients. It is doubtful whether many European

firms take that view.
in spite of the upbeat responses to the survey, the US profession seems much less confident of its standing in the global legal services market and, in many instances, unsure of how best to position itself as Those who, owing to limited recession turns slowly to recovery, according to Global but to wait for domestic recovery

About 50 per cent Respondents to of respondents see themselves as interthe survey said corporate work national rather than US law firms, but was currently the new nave invested in new overseas offices recently. Resources are scarce after a source of business and Washington, and washin couple of lean years, and many have not decided how to allocate the limited spare cash they

The survey suggests that US firms must answer several difficult questions when working out their strategy. Should they concentrate on Europe, where competition from UK and other European firms has made market conditions more difficult? Or should they be opening offices in the Asia/Pacific rim to target the emerging markets of tnam, Thailand, the Philippines, Indonesia and India?



have had of late, few will be able to afford such a high-cost strategy, particularly as most firms must expect to wait two or three years before seeing any return on their

On the other hand, can they afford to wait until they have built up sufficient cash reserves at home to fund such overseas expansion? The risk of allowing their competi-tors to become established in these markets is considerable.

before contemplat-

ing further expan-sion should take heart from the fact that two of the three firms rated the best and Wachtell Lipton Rosen & Katz - have

achieved such a reputation in spite of their relatively small size, their low-key approach to marketing and without a large overseas pres-

They should also be encouraged by the \$1bn Singapore Telecom privatisation, one the biggest deals ever to come out of Asia. Two New York firms, Sullivan & Cromwell and Cleary Gottlieb Steen & Hamilton, neither of which had an office in Singapore, were appointed this year as lead advisers on the deal, much to the dismay of the US and Given the tough time many firms UK firms which bid for the work

uch open conspetition for international work in each other's backyards is set to become more common, as there is an increasing volume of work that could be done as easily under UK or US law. Perhaps in recognition of the diffi-

cult trading conditions overseas, US lawyers appear to be pushing a revival in domestic markets. Mr. Joseph Flom, the doyen of Wall Street mergers and acquisitions lawyers, was quoted recently as saying the big companies now had money available and soon they would be saying: "I've got money to lend - where am I going to lend it?" It is unlikely that we are un the verge of a mergers and acquisitions boom such as that of the late 1980s,

but Mr Flom is not alone in predicting an upturn in M&A activity. Respondents to the survey said corporate work was currently the most important source of business, followed by securities, benkruptcy and insolvency work, M&A, banking, tax and litigation.

Immigration; telecommunications, investment management and product liability were identified as

the main growth areas, with M&A leading the list of specialities makleading the list of specialities making a comeback. Other areas expected to show a recovery included environmental issues, asset finance and intellectual property. Bankruptcy and insolvency will become progressively less important.

This optimism, liowever, is dampered by the three-ledge, that the

ened by the knowledge that the dynamics of the market have changed. Lawyers have to learn the trick of maintaining market share in the face of increased competition. Or, as one lawyer put it to Global earch, they have to learn to live in a market characterised by "fee pressure downward, cost pressure

Launjers on Lauyers in America, by Global Research, Euromoney Publi-cations, Nestor House, Playhouse. Yard, London ECAV SEX, \$695

## LEGAL BRIEFS



#### Views sought on simplifying trust rules

he Law Commission has issued a consultation paper on simplifying the English law of trusts, almost 30 years after Parliament last had a go at it. The paper asks whether the time has come to change the complex rules - "the rule against perpetuitles" and "the rule against excessive accumulations" – that effectively limit the period for which a trust

may last.
Among the questions being considered are: Should we seek. to curb the "dead hand control" of former owners, reaching out to control their property beyond the grave? Do other provisions, such as inheritance tax, exert enough pressure to stop trusts lasting too long? If an estate is tied up a long time, does it unreasonably hamper development or discourage economic use of land? And would accumulating money for a long time damagingly concentrate wealth in the hands

concentrate weakth in the manus
of only a few people?

Law commissioner Trevor.

Aldridge says it is clear the present
law is "convoluted, obscure and
capticious. If it is still important
to keep control of trusts in the way, the rules should be easier to understand and simpler to apply. On the other hand, if we need no controls, the rules should be scrapped."

Merger complete he "merger" between Dibb Lupton Broomheed, based in Leeds and London, and Needham & James, of Birmingham and Stratford-upon-Avon, finally comes into operation tomorrow, The merger has given Dibb Lupton the presence in the west Midiands that it needed to further its ambitions to become the first truly national law firm in England a title the constituent firms of the Eversheds group might dispute. The name of Needham & James

#### PEOPLE:

## Inchcape reduces its board

Two of Inchcape's most senior directors are leaving the international services and marketing group, and the company has decided to take the opportunity to have a smaller and more strategically focused

According to Charles Mackay, the chief executive the move to a smaller board is not intended to diminish the importance of the group's business streams - motors, marketing and business services. Indeed, the intention is to give each its own own board and increase their operational and financial autonomy.

Alan Marsh, 57, who will take early retirement in May. worldwide businesses with Toyota. He will be succeeded by David John, 55, currently the main board director for Inchcape's marketing business

Reg Heath, 52, who will leave on September 1 next year, is the main board director responsible for the group's other motor businesses, apart

from Toyota. He was chief executive of Tozer Kemsley & Millhourn the motor distribu tor which Inchcape bought for £376m at the end of 1991. A well-known figure in the UK motor trade, Heath is credited by Inchcape with having done a "terrific" job in integrating TKM. He is likely to receive plenty of offers, but so far has

Alan Davies, 44, will replace David John as chief executive of the marketing business stream. Maurice Rourke, 45, will succeed Heath as chief executive of inchcape's motor es, other than Toyota. Neither Davies nor Rourke will be appointed to the main

Simon Arnold, 60, will also step down from the main board in May, having reached retire ment age. He will, however, continue as chairman and chief executive of Bain Clarkson, a position be has held since 1985 as part of his overall responsibility for Inchcape's

John's move to run the Toyota businesses reflects the continuing importance to Inchcape of its links with the Japanese group. In 1990 Toyota paid Inchcape £60m for a stake in Toyota (GB), the UK distribution company, which will rise to 51 per cent in 1998. John has known Toyota from his time as chief executive of Inchcape Berhard, when he was responsible for Toyota operations in

Singapore and Brunei. Davies, who replaces John as chief executive of inchcape's marketing business stream, joined the group in 1989 and became chief executive of Inchcape Middle East last year. Before joining Incbcape, he spent 16 years with Rothmans International, the tobacco

Rourke, who succeeds Heath, is currently development direc-tor for Inchespe's motor businesses other than Toyota. He has 20 years experience in the European motor industry and worked with Renault UK and BMW before joining TKM in

## Non-executive Zeneca, at SMITHS



Sir Sydney Lipworth (above

left), deputy chairman of National Westminster Bank and a former chairman of the Monopolies & Mergers Commission, at CARLTON COMMUNICATIONS. John Bond (above right), group chief executive of HSBC Holdings, at the London STOCK EXCHANGE, following

the resignation of Lord Alexander of Weedon on his appointment as deputy chairman of the SIB. The Hon Janet de Botton. who is a daughter of Lord Wolfson, at Christie's, the international fine art auctioneers. Along with her husband Gilbert de Botton

she is one of the UK's leading

Alan Pink, a director of

Michael Haines, recently

retired chairman of KPMG's public sector industry group, at CLUFF RESOURCES; Charles Letts have retired. ■ Michael Donovan, md commercial of Rolls-Royce Motor Cars, at VICKERS medical division. John Abell, former chairman of Orion Royal Bank

at ALLIED TRUST BANK. Sir Derek Hornby, chairman of the British Overseas Trade chairman of South Staffordshire Water Holdings, at BOXBORO GROUP. Ravi Pal, a management consultant, at VAX.

Daniel Bejarano, executive chairman of FDES Holdings, at CAPITAL INDUSTRIES. E Robert Alcock, group md of Norcros, at The CAPITA GROUP. Richard Jowitt, md and

chief executive of Electronic Data Processing, at JOS HOLDINGS Frank Neale has resigned

from VERSON INTERNATIONAL GROUP. consultancy ALEXANDER PROUDFOOT, chaired by Lord

Stevens of Ludgate, has left after 20 years with the group. The news broke yesterday, after an internal memo circulated in the company and jointly signed by Isaac and Proudfoot's chief executive, John Prosser, was leaked to the media.

Proudfoot has been going through tough times recently; at its interim results in September it reported pre-tax. profits down from £13.2m to 25.6m. A spokesman for the company said yesterday that Isaac's departure was not connected with its recent finan-

cial problems. But the company's European business, which Isaacs took over in November 1992 when Prosser was made chief executive, has been performing

Staff levels have been reduced from more than 1,500 a year ago to about 1,300 now, as part of a £15m a year costcutting programme. Neither

## Peter Isaac, European Cooper moves to Vestev

Robert Cooper, 47, is joining the Vestey group as finance director. Since 1988, he has ing, and head of corporate finance worldwide since 1990. At the Vestey group he will John Collins, appointed chief executive in September, with effect from January 1994; together they will have respon-sibility, for overseeing the future strategy of the group new holding company yet to be formed, and to be called Vestey Group Holdings. Currently the group is divided into two main operating entities. Union Inter-

After qualifying as an accountant with Peat Marwick Mitchell, Cooper spent a short time with first BAT and then Rank Xerox in 1971-72, before leaving to join Robert Fleming in December 1972, where he first became a director in 1977. In 1984 he joined Kleinwort Benson as a director in the cor-

porate finance department.

national and Frederick Ley-



In 1986 he joined the clothes retailer Next as group finance director, returning to Robert Fleming in 1987 as a director of corporate finance, becoming ad of UK corporate finance in 1988 and head of corporate finance worldwide in 1990. Robert Fleming said yesterday that no replacement has yet been

Kevin Councily, formerly finance director of Redland Roof Tiles, has been appointed director of financial planning

and analysis at REDLAND.

EXCERPT FROM THE VEBA INTERIM REPORT AS OF SEPTEMBER 30, 1993

## VEBA MAINTAINS COURSE IN ROUGH SEAS

The VEBA Group remains on course in 1993 despite the harsh climate.

#### SLIGHT INCREASE IN SALES

VEBA improved marginally on its previous year's sales in the first nine months of 1993 despite the persistently weak business cycle. The gains recorded by Electricity, Oil and Services were offset by downturns in Chemicals, Trading and Transportation.

#### NET INCOME 14% DOWN ON LAST YEAR, RESTRUCTURING MEASURES STEPPED UP

The net income after minority interests dropped 14 % to DM 453 million (1st half of 1993: -13.2%) in the first three quarters of 1993. We do not anticipate any change in the earnings situation for the rest of the year. We stepped up the



efforts that had already been initiated to improve the competitiveness of the Chemicals and Oil Divisions.

Group Key Figures		Jan. 1 – Sep. 30, 1993	Jan. 1 – Sep. 30, 1992	
Sales	DM million	49,586		+ 9.7%
Net Income After Minority Interests	DM million			14.0%
Employees		(Sep. 30, 1993) 130,705	(Dec. 31, 1992) 129,802	+ 8.7%
Capital Expenditure				

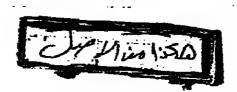
#### FEWER EMPLOYEES IN CHEMICALS. MORE IN TRADING

At the end of September 1993, the VEBA Group employed 130,705 people, that is 903 more than at the end of 1992. As a consequence of efforts to enhance efficiency in Chemicals and Transportation, the workforce was cut by some 2,500. Additions resulted from the further expansion of Trading and Transportation activities, especially abroad.

CAPITAL EXPENDITURE: OPPORTUNITIES SEIZED

In the face of a generally restrictive investment policy, we sustained our long-term capital expenditure strategy and determinedly utilized opportunities in the new states. With DM 3.1 billion from January through September 1993 (DM 700 million of which was spent in the new states), capital expenditure exceeded the spending over the same period last year by some 11%.

Copies of the Interim Report as of September 36, 1993 are evallable from:







Art / William Packer

## Back to brushstrokes at the galleries

fter the event, the result of the Turner Prize has a certain inevitability, and even ise that Sean Scully, the one artist actually to put paint on canvas by means of a brush - a sort of stick-thing with bristles at one end - was no more than a token entry. In a fixed field of conventional conceptualists, he had no chance at all. The pity of it is that we have plenty of painters of just his - minimalist, or at least highly-simplified abstraction who might have given him and us a run for the money. Such artists as Alan Creen, Alan Charlton, Edwina Leapman, Marc Vaux and Peter Joseph have records that are no less long and distinguished than his. Set against them on equal terms, Scully might well have won, but he would have done so against his peers. But rules are rules, and any such race Such rueful ruminations

were brought on not so much between the stripes. Some little by Scully's failure to come variation, of size and format, is home the winner, as hy admitted in this process hut Edwina Leapman's current most particularly in the actual working of the stripes themaxhihition at Annely Juda, selves, according to the choice as to the thickness of the paint. altogether quieter and more properly modest an affair. Miss Leapman has been working to stiff or flowing, the gauge of the brush and the load of paint it should carry. She fills the much the same programme for about 25 years, during which she has been principally con-cerned, she tells us, with "close hrush, moves it across the surface until it requires refilling. tonalities and vibrating light" and so continues until the As for her colour, "it is to do with space and the vastness of stripes fill the canvas. Nothing could be simpler, space: with the limited space of

indeed quite worthy, some might feel, of the unregenerate the picture and the endless space beyond its edge". Turner Prize. Quite why these paintings should be so beaud-What she actually does is to lay a thin but resonant colourful and satisfying is probably field, these days usually fairly dark, a rich blue or green perbeyond the sceptical, yet beautiful they are, and monumental, and profound in their teashaps, over the entire surface of the canvas. She then lays ing of the visual imagination. another near-complementary For the simple truth is that to colour, fairly close in tone, in set one mark upon another, regular, careful, albeit freeone tone against another, is to hand horizontal stripes across propose an infinity of possibilthe canvas, leaving the groundity of space and substance that only the imagination can colour visible at the margins and through the abutments explore. Just how close within

its pictorial space is that deli-cate lattice of horizontal hars, and quite how deep the firmameot beyond? The work of Mary Potter,

who died in her eighties 10 years ago, has much of this same quality of apparent simplicity married to imaginative complexity. Here again the range of colour and tone is closely limited and controlled. in this case to the earth colours, ochres and umhers touched up with faded blues, greens and pinks. And again, in the characteristically dry impasto of the paint itself, we are made immediately and quite physically aware of the fact of the surface and the stroke of the hrush. Such is the act of painting Itself.

Nominally figurative, these paintings withdraw from their subjects of landscape or stilllife to the point of abstraction, teasing us on the very point of association and recognition, wryly fugitive and elusive. And they too are unexpectedly, sub-

exhibition, sadly, is to be the last at the New Art Centre in its present incarnation, for the gallery in Sloane Street, its home for 30 years, is to be hulldozed for redevelopment Business in the meantime is to continue at Roche Court in Wiltshire, off the A30 just short of Salishury, until new premises are found

little of current French painting, for which both sides are equally at fault. The admirable Galerie Matisse of the Institut Français, from its tiny space at South Kensington, does whatresources to supply the deficiency. Its current show of the work of four painters is perhaps too constricted physically to do elther itself or its subjects full justice, especially

Here in London we see too

The great bonus is to see for the first time the work of the youngest of the quartet, Helene

given the size of some of the

ohvious references and influ-ences within the currency of international painting - from Picasso and Duhuffet to Paladino and Basquiat, with a generous helping of tribal art, and graffiti too - but she works it all with commendable vigour and confidence, and makes of the confection something quite her own. She seems to be a real painter, someone adventurous and amhitious and yet at ease with her medium on a large scale. Without the fashionable preoccupations, she could he better still.

Edwina Leapman - recent paintings: Annely Juda Fine Art, 23 Dering Street W1, until December 22. Mary Potter – An Unique Vision: New Art Centre, 41 Sloane Street SW1. until December 24. Fnur Artists from France: Galerie Matisse, Institut Francais, 17 Queensberry Place SW7, until Institut Français, Edinburgh.

Opera / Paul Griffiths

Edwina Leapman: paintings to tease the visual imagination

## An odd light on Butterfly

The stage is almost bare. The few things that remain - a solitary rock, a chair, the people - seem to function principally as objects to be lit. Everybody moves slowly, but less for any dramatic purpose, so it aeems, than for the requirements of the lighting. Light is the hero; light in the phosphorescent blue on the rock, the white on a hand, or

2 17.2 2 77.2 2 77.2 2 72.2 2

5.4

7,222

Property arms

. and the state

0.5 0000

The Park of the Pa

2111 223

.....

900 x 2 x .25

No. 19 No. 25

- : :<u>-</u>

. . . . . . . . . . 4

golden gleam on a body.

And this is Madame Butterfly? No, this is Robert Wilson. In his productions of traditional operas Wilson has stressed how his visual contribution must be independent of the music and text, and yet his choice has bitherto fallen on works which fit with his earlier original creations in their elongated time schemes, their mythic resonances and their symbolism: Parsifal, Lohen-grin, The Magic Flute. Puccini's works are entirely different, and the new Madame Butterfly at the Bastille in Paris (Wilson's third production there in the theatre's short history) might seem to allow more scope for independence to exert itself.

who seem to be singing the characters' music but not Steeve [sic] Lopez) becomes a enacting them as people - major participant. In the long behave with a sublime disregard for what is going on, or for what they are baving to deliver. Signal points in the drama are registered not by these statuesque people bnt, typically, by the lighting: by a sudden blackout, for instance, when the Bonze denounces Butterfly's spiritual defection. Music that is customarily seen as demanding movement such as the rush for the child's entry near the end - sweeps. most effectively, across an entirely still stage. Not only does the production fail to delivar tha expected visual appurtenances, it makes a point of its failure, as when Pinkerton and Sharpless in the first act ostentatiously mime holding glasses in their hands. However, these displays of

ficial, for it is obvious that Wilson was attracted to Madame Butterfly by the Japanese in it. and by the idea that he could bring this nut in his setting. He uses a wooden walkway like that of the Japanese theatre, and the severe costumes (by Frida Parmeggiani) look in the same direction. But suggestion is all. There remain two huge problems. One is that Wilson is dealing with opera singers, not with actors trained for decades in a demanding tradition of deportment and gesture. The other is that Madame Butterfly is not a noh play.

Wilson's attempt to make it one smacks disturbingly of the scorn and opportunism which the opera makes an effort to denounce in Pinkerton. Alien. manners are heing tried on without any care for the density of meaning they convey. For all the atmosphere of seriousness, the production is disturbingly hollow: one can read the director's signature, but it is placed on an empty and ignorant canvas.

There is one area of exception. Some of Wilson's earlier work mada startling use of non-professional performers. and here the child (a grava nocturne-interlude he alona moves about the stage in childish games while Butterfly and Suzuki wait, and it is his hand, warding Pinkerton off, that provides the final gesture. However, the very poignancy of this proves how far the production has come from its stated aim of following an independent, parallel path.

The orchestra, under Myung-Whin Chung, occasionally remind one of Puccini's admiration for Dehussy, though the sound is thin in this theatre and the balance odd. Valentina Sedipova was the Butterfly I heard, coming to firmness and lustre in the second act; she shares the title role with Diana Soviero. Of the rest of the cast, only Georges Gautier as Goro stood out.

The Nutcracker meets goodie two-shoes film of New York
City Ballet's Nutmany children could not follow cracker, cumbersomely entitled George Balanchine's The Nutcracker, was released in the US this week, not without considerable advance publicity in the form of a fight hetween the studio and Kit Culkin, father of 13year-old film star Macaulay Culkin, who plays the

The elder Culkin has tender feelings about Balanchine's 1954 Christmas ballet. As a boy he danced in it himself; be too was the Nutcracker. So when Macaulay was offered this role in the film version, the Culkins accepted on far more modest terms than the child star normally commands: \$10,000 plus 5 per cent of the gross. (For Home Alone 2 Macaulay received \$5m plus 5 per cent of gross.)

Nutcracker.

In return, Kit Culkin expected that the producars too would have tender feelings about the ballet - film it straight, not "adapt" it: an approach that everyone seems to have agreed on in the early

the story. So the producers hired Kevin Kline to narrate it, over the music, at various moments in the film. When Kit Culkin saw the narrated version, according to an article in New York magazine, he told the producers, "You've s\*\*\* all over Tchaikovsky." If the nar-ration were used, Culkin said, Macaulay would take no part in promoting the movie. If the narration were not used, on the other band, Macaulay would renounce his 5 per cent of the gross,

After considerable scuffling, Warner Brothers rejected Culkm's offer. When the film hit the theatres on Wednesday there was Kevin Kline's voice, smack on top of the music, telling us, for example, as the Christmas eve guests enter in Act I, "Here they all came, the Christmas eve guests." I do not know where Warner Brothers obtains the children for its test screanings, but every year I attend NYCB's Nutcracker in a theatre full of children, and they all seem to get the drift.



Ballet / Joan Acocella

Macaulay Culkin and Lynn Cohen

Silly though it is, however, the narration is sparse. A far greater problem is the camera work. "We trusted the dance." says producer Bob Hurwitz of the film team's philosophy. "Wa trusted Balanchine." Nothing could contradict that

statement more flatly than the filming of the dances. Never is a dance given its proper time and space: never is it allowed to establish itself.

Presumably for the same anxiety about our attention span the camera is constantly

into the Sugarplum Fairy's armpit, we inspect Macaulay Culkin's mouth. (He is missing the first premolar on the upper left.) The nearer we get to any one dancer, the less we see of the choreography. Nor do the closeups enhance realism of the movie. On the contrary. Seen from a few inches away. the "snow" is clearly paper; the ice cream, plaster. Crazy-wigged Drosselmeyer,

who in the stage production is a figure of weird glamour, here looks like a man who might ask you for a quarter in the subway, Emile Ardolino, the film's director, produced and directed first-rate dance programs for the Public Broadcasting Service in the 1970s and early 1980s. When he went to Hollywood four days before the release of the Nutcracker movie, be died of Aids at the age of 50. Ardolino's memory should be bonoured for his earlier work. I do not envy anyone the task of adapting the non-realistic medium of ballet to the realistic medium of popular film, but in this case no interesting solutions were

In the film as in the theatre. the ballet is danced by New York City Ballet, and the cast is well chosen. If for nothing else, the film is valuable in that it records the cool, brilliant allegro work of Kyra Nichols as the Dewdrop and the glorious expansiveness of Darci Kistler as the Sugarplum Fairy, Twelve-year-old Jessica Lynn Coben, who plays the heroine, Marie, has a pretty face and a peppy spirit.

The only serious plece of miscasting is Macaulay Culkin. He has danced in NYCB's production before - be played Fritz, Marie's truculent little brother, in 1989 and 1990 - but be is not at home in ballet. His neck and shoulders are tight and he walks as if his shoes hurt. Culkin is a comedian, a rare gift in a 13-year-old, but not one that is required for the Nuteracker. Culkin plays it with an ironic half-smile, as if he were in a children's production of The Importance of Being for box office reasons, which would have been fine had be



#### Stafford-Clark bows out

Max Stafford-Clark took his formal departure from London's Royal Court Theatre on Sunday after 14 years as artistic director, writes Malcolm Rutherford. A packed house saw a gala performance of scenes from plays he has put on over the years, including Serious Money by Caryl Chur-

chill and Three Birds Alighting on a Field by Timberlake Wer-tenbaker. In future, Stafford-Clark will head a new company, Out of Jnint. Its first venture will be a co-production with the Leicester Haymarket and the Royal Court of an adaptation of Sue Townsend's novel The Queen and L

## Abbado on white-hot form been keeping his eyes down on the music stand. This season n retrospect the 1960s and

1970s look a remarkably settled time for most ... orcbestras. The senior conductors of the day tended to stay with their own orcbestras for a long period, creating stable relationships which were generally seen to be a good thing.

Tha next generation of maestros is facing all sorts of criticism, as a revealing BBC documentary last week showed Even those trying to follow the same path find themselves ambushed. Perhaps the Berlin Philharmonic Orcbestra always was going to be a special case, but that does not explain the hostility of a recent attack in the Cerman press against Claudio Abbado, accusing him of not being another Herbert von Karajan. Ahbado is known not to

enjoy musical politics and has

be is conducting an impressive list of concerts in Berlin, including two lavishly-cast concert performances of Musorgsky's Boris Godunov at the weekend. This opera has long been among Abbado's kev works. The Royal Opera's production has been his outstanding collaboration with the company to date; and if his interpretation has changed over the years he still recantured in the warm and generous ambience of Berlin's Phitharmonie much of the intensity of those stage perfor-

By the time the performance reached the final scene, the playing was white-hot. The swirling string figures as the crowd gathers tingled with the frenzy of a Russian populace in open revolt. It is claimed that

the Berlin Philharmonic does not sound the same under Abbado. That may be true. Whichever the orchestra, Karajan's Boris Godunov was a grandly-unfolding epic, woven in a rich tapestry of sound; Abbado's is swifter, leaner, more urgent, seething with tensions public and private below the surface. It did not seem to me any less well played or sung. The choral singing, from the Slovak Philharmonic Choir of Bratislava and the Berlin Radio Choir, was especially effective. The weakest link in the cast

was probably Boris himself, Anatoly Kotcherga, who has plenty of force in his voluminous (not always well-focused) bass voice, but not the same force of personality. He did the obvious things without making them fresh and personal. ft is unlikely that the Polish

act has ever been more gloriously sung than it was by this trio of Olga Borodina, Sergey Larin and Sergey Leiferkus, who brought a spiendid combination of vocal glamour and subtlety of character to their three schemers. Philip Langridge got a vivid grip on Shuisky's slippery personality. Cleb Nikolsky and Helmut Wildhaber were a wickedly matched comic dno as Varlaam and Missail, every bit a present-day Laurel and Hardy. Elena Zaremha was their young, vocally voluptuous hostess. There are certainly other cities which have more pressing problems with their orchestras than Berlin.

Concerts sponsored by Dentsche Bank and Sony Classical.

Richard Fairman



#### ■ AMSTERDAM

Concertgebouw Tonight: Nikolaus Hamoncourt conducts Chamber Orchestra of Europe in works by Beethoven, with violin soloist Gidon Kremer, Tomorrow: choral concert including Vivaldi'a Gloria and Cherubini's Requiem. Thurs, Fri: Bernard Haitink conducts Royal Concertgebouw Orchestra in Debussy, Bartok and Shostakovich. Sat: David Robertson conducts Netherlands Chamber Orchestra and Chorus in Boulez, Schoenberg and Stravinsky. Next Mon: Vassill naiski conducts Netherlands Philharmonic Orchestra in Andriessen, Shostakovich and Bruckner, with cello soloist Julian Lloyd Webber. Dec 8, 9: Mariss Jansons conducts the Royal Concertgebouw. Dec 11: Günter Wand conducts Bruckner's Eighth Symphony (020-671 8345) Muziektheater Tonight: final performance of Pierre Audi'a staging of L'incoronazione di Poppea. Tomorrow: Graeme Jenkins conducts first night of Alfred

Kirchner's new production of La

traviata, with cast led by Deborah Riedel, David Kuebler and Luis Giron-May (repeated Dec 4, 7, 10, 13, 16, 19, 22, 25, 27, 30). Thurs, Fri. Sun afternoon: Nederlands Dans Theater in choreographies by Jirl Kylian (020-625 5455)

#### ■ BASLE ...

 Murray Perahia plays Beethoven's Second and Fourth Piano Concertos in Basia Symphony Orchestra tomorrow in the Casino (061-272 1176)

 Repertory at the Staditheater includes Boito's Melistofele, Tosca, Nutcracker and Jesus Christ Superstar, A new production of Rossini's II viaccio a Reims opens on Dec 19 (061-295 1133)

#### BRUSSELS

Palais des Beaux Arts Tonight: Il Giardino Armonico plays concertos by Vivaldi. Tomorrow: Joshua Bell, Steven Isseriis and Olli Mustonen play plano trios by Haydo, Schuman and Shostakovich. Thurs: Gabriel Chmura conducts Belglan National Orchestra in Beethoven and Bruckner. Fri (Eglise des Minimes): Sigiswald Kujiken conducts La Petite Bande in a Bach programme. Next Mon (Conservatoire): Labeque Sisters play Mozart with I Flamminghi chamber orchestra (02-507 8200)

#### **■ CHICAGO**

CHICAGO LYRIC OPERA Peter Hall's staging of Cosl fan tutte Rudrs Béjart Lausanne is in

can be seen tonight and Sat, with Carol Vaness, Delores Ziegler, Keith Lewis and Jeffrey Black, conducted by Andrew Davis. August Everding's new production of Die Walküre, conducted by Zubin Mehta with a cast including Eva Marton and James Morris, can be seen on Fri and next Mon, with further performances on Dec 10, 14, 18 and 22. Il trovatore opens on Dec 11 (312-332 2244)

CHICAGO SYMPHONY Pierre Boulez is in residence at Orchestra Hall over the next two weeks. The programme on Thurs, Sun and next Tues includes Bartok's Duke Bluebeard'a Castle, with Jessye Norman and Laszlo Polgar. Friday'a programme features Mahler's Sixth Symphony. Dec 9, 10, 11 and 14: Ravel, Bartok and Stravinsky (312-435 6666)

#### **■ GENEVA**

Victoria Hati Tonight, tomorrow: Amin Jordan conducts Orchestre de la Suisse Romanda In concerts celebrating the orchestra's 75th anniversary. The programme includes a new work by Heinz Holliger, plus music by Ravel, Dvorak and Brahms, with violin soloist Uto Ughi (022-311 2511). Thurs: Belia Davidovich plano recital. Frit: St Petersburg Symphony Orchestra plays Dvorak and Tchaikovsky, with cello soloist Natalia Gutman (022-310 6820)

#### **LAUSANNE**

residence till Dec 11 at Cinema-théâtre Métropole, with three programmes choreographed by Maurice Séjart (021-311 1588) Luc Bondy'a production of Ibsen'a John Gabriel Borkman, starring Michel Piccoli, can be seen daily except Mon till Dec 10 at Théâtre Vidy-Lausanne (021-617 4545)

Staatsoper Tonight: L'elisir d'amors.

#### **■ VIENNA**

Tomorrow: new production of Kenneth MacMillan's ballet Manon. Thurs: Die Zauberflöte. Fri: II barbiere di Siviglia with Vesselina Kasarova, Rockwell Blake and Nicolal Ghiaurov. Sat: Carmen. Sun: Fidelio with Gwyneth Jones and Thomas Moser, Mon. ballat mixed hiii (51444 2955) Musikverein Tonight: Daniel Froschauer violin recital. Tomorrow. Thurs, Fri, Sat: Heinz Wallberg conducts Vienna Symphony Orchestra in Bruckner'a Eighth Symphony. Sat afternoon, Sun morning: Simon Rattle conducts Vienna Philharmonic Orchestra In Mahler. Sat (Brahms-Saal): Joshua Bell, Steven Isserlls and Olli Mustonen play piano trios by Beethoven, Schumann and Shostakovich. Sun: Nikolaus Hamoncourt conducts concert performance of Monteverdi's L'Orieo, with Anthony Rolfa Johnson, Ann Murray and Wolfgang Holzmair, Dec 11, 12: Seiji Ozawa conducts Boston Symphony Orchestra (505 8190) Konzerthaus Wed: Thomas Hengelbrock conducts concert performance of Mozart's Zaide, with Dec 8: Czech Philharmonic Orchestra (712 1211) **■ WASHINGTON** 

soloists including Joan Rodgers

Badura-Skoda plano recital. Sat: John Eliot Gardiner conducts

L'incoronaziona di Poppea, with

Sylvia McNair and Anna Sofie von

Otter. Next Mon: Hagen Quartet.

concert performance of Monteverdi'a

and Rodney Gilfry. Fri: Paul

 Zubin Mahta conducts National Symphony Orchestra in an all-Mozart programma tomorrov and Fri afternoon at Kennedy Center Concert Hall. Thurs: Georg Solti conducts Stravinsky and Beethoven. Fri evening: Alicia da Larrocha piano recital. Sun: Kennedy Center Honours Gala (202-487 4600) David Zinman conducts Baltimore Symphony Orchestra In an all-Beethoven programme on Thurs, Fri and Sat at Baltimore's Joseph Meyerhoff Symphony Hall, with piano sololst Yefim Bronfman (410-783 8000)

THEATRE Season'a Greetings: Alan Ayckbourn's hiting comic tributa to the traditional seasonal open house. Till Dec 19 et Round House Theatre (301-217 3300) Dancing et Lughnasa: Brian Friel'e memory play, set in Donegal 1936. Till Jan 6 at Kreeger Theater (202-488 4377)

Julius Caesar: a Shakespeare

Theater production directed by Joe Dowling. Till Jan 9 at the Lansburgh (202-393 2700) Rollin; a two-person revue of

Langston Hughes. Written, directed and choreographed by Ron Stevens. Till Dec 18 at Source Theater (202-462 1073)

Cats: Andrew Lloyd Webber's musical, directed by Trevor Nunn.

hlack vaudeville, with songs, dances

and sketches by such greats as

Till Jan 8 at National Theater (202-628 6161)

 Alice in Wonderland; a staga adaptation of Lewis Carrol's tale, directed by Pat Carroll. Till Jan 2 at Kennedy Center Theater Lab (202-467 4600)

#### ZURICH

Tonhalle Tonight: Heinz Holliger conducts Tonhalla Orchestra in works by Schumann and Holliger with soloists Andras Schiff and Miklos Perenyi. Tomorrow, Thurs: Schiff and triends play chamber music by Holliger, Beethoven and others. Frl: Neeme Jarvi conducts Gothenburg Symphony Orchestra in Stenhammar, Beethoven and Nielsen. Sun: Christof Escher conducts Zurich Chamber Orchestra in Gorecki, Boccherini and Schubert, with cello soloist David Geringas (01-261 1600)

Opernhaus Tornorrow and Sun: Bernd Bienert's production of Glazunov's ballat Raymonda. Thurs: Macbeth with Simon Estes and Gwyneth Jones. Fri: Cosi fan tutte. Sat: Il barbiare di Siviglia. Sat and Sun afternoons: new staging of Britten's Let's Make an Opera. Next Mon: Nikolaus Harnoncourt conducts concert performance of Monteverdi's L'Orfeo, cast including Ann Murray, Anthony Rolfe Johnson, Wolfgang Hotzmair (01-262 0909)

ARTS GUIDE Monday: Berlin, New York

Tuesday: Austria, Belglum, Netharlands, Switzerland, Chicago, Washington. Wednesday: France, Germany, Scandinavia. Thursday: Italy, Spein, Athens, London, Prague. Friday: Exhibitions Guide. European Cable and

Satellite Business TV (All times are Central European Time)

MONDAY TO THURSDAY Super Channel: European Business Today 0730; 2230 Monday Super Channels West of Moscow 1230. Super Channel: Financia Times Reports 0630 Wednesday Super Chan-nel: Finencial Timae

Reports 2130 Thursday Sky News: Finencial Times Reports Friday Super Channel: European Business Today 0730; 2230

Sky News: Financial Times Reports 0530 Saturday Super Channel: Finencial Times Reports

Sky News: West of Moscow 1130; 2230 Sunday Super Channel: West of Moscow 1830 Super Channel: Financial Times Reports 1900 Sky News: West of scow 0230; 0530 Sky News: Financial Times

Tha space shuttle Endeavour is scheduled to blast off from Capa Canaverai tomorrow morning on what Nasa calls a routine servicing flight - and critics say is a risky make-or-break mission for the troubled space agency. The objective of the 11-day flight is to service and repair the Hubble Space Telescope, a

\$2ho orhiting observatory which caused Nasa huge embarrassment after its leunch in 1990, when it turned out that the instrument's 2.4 metre mirror had been ground to the wrong shape. Three hundred miles above the earth's obscuring atmosphere. Hubble should have enabled astronomers to see seveo times further into the universe than ever before: instead, the faulty mirror produced fuzzy pictures only slightly better than the most powerful ground-based tele

The mission is routine only in the sense that Hubble was designed for maintenance in orbit every three to five years. No one had imagined when it was launched that so much would need to be put right now, nor that Nasa would be so desperate for a spectacular success to reverse the steady deterioration in its public image after a catalogue of disasters - most recently the loss of the \$980m Mars

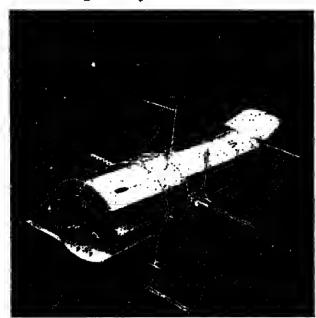
Nasa has picked a crew of seveo space veterans, with an average age of 46, for what is sure to be the most complex and challenging of the 59 shuttle flights undertaken so far. The senior member is Dr Story Musgrave, 58, who has been an

astronaut since 1967. On Friday the Swiss flight engineer, Mr Claude Nicollier, will use Endeavour's robot arm to pull the bus-sized Hubble on to a special stand in the cargo bay. Then the missioo plan includes five days of space walks, each lasting six hours, during which the astronauts will work in pairs to put right as many as possible of Hubble's defects.

The single most important job will to fit "spectacles" to sightedoess. An instrument called Costar (for corrective optics space telescope axlal replacement) will slot io behind the famous flawed mirror, containing 10 small coinsized mirrors ground to compensate optically for the defect. But there are 11 other items to repair or replace. They include faulty electronic components, three falled gyroscopes and Hubble's solar pan-

## Toil and trouble

Nasa needs to repair its public image, as well as the Hubble telescope, says Clive Cookson



Space endeavour; artist's impression of the Hubble telescone

know Hubble's replacement parts].\* Dr Musgrave said at the end of training, "but, like the Olympics, it boils down to

a few seconds. You've got one

shot at it. It's got to go right."
As the astronauts know only

too well, far more is at stake

than their ability to make Hub-

ble work to its original specifi-

cations - and possibly give astronomers a view of the dis-

tant universe good enough to

set off a scientific revolution

like the one after Galileo's first

use of a telescope 400 years

hinge on the Hubble mission.

A success would begin to shore

up public and political confi-

dence in the once-proud agency, which has been under-

mined by a string of failures

since the 1986 Challenger

explosion. In particular, it

would show that shuttle-borne

astronauts can carry out a

complicated series of manoeu-

vres of the sort that will be

needed to assemble and use the

planned Space Station Free-

dom, due to go into operatioo

early next century.

"If this is your view of global futures markets

you're missing a world of opportunities

trend within our institutional client base to bedge their international portfolios using futures and options. Naturally they

track record in terms of liquidity. With highly successful products such as the Notional, Pibot and CAC 40 index futures

FOR FURTHER INFORMATION PLEASE CONTACT MATIF AT (33 I) 40 18 81 81

which can be traded around the clock, MATIF meets the needs of the most sophisticated and demanding investors

M O S T

MATTE, the Marche A Terme International de France, as one of the world's leading futures exchanges, has a proven

OF YOUR FUTURE

are drawn to those exchanges which provide good liquidity and offer easy access

The future of Nasa could

disturbing its delicate instruments by juddering in response to temperature changes whenever the craft passes from sunlight into darkness. Indeed, changing the 12-metre solar arrays - made by British Aerospace as part of the European Space Ageocy's 15 per cent contribution to the project -may turn out to be the most delicate operation of all.

The schedule is bound to change "as events unfold", Mr Nicollier said last month. There will be surprises, of that we can be sure. We therefore have to visualise the unfo-

To prepare for unexpected events, the astronauts have trained longer and more inten-sively for the Hubble repair mission than for any previous shuttle flight. They have spent 700 hours rehearsing for their 11 days in space, including 400 hours under water in a huge tank built to simulate weightlessness at the Marshall Space

Flight Centre in Alabama. "I may have been in the water hundreds of hours, I may have been in the clean room hundreds of hours [getting to

nition to congressional budgetnition to congressional budget-cotters, who succeaded receotly in killing the US's other big science project, the \$11bn Superconducting Super Collider, and are keen also to shoot down the multi-billion dollar space station. Its cancellation would leave Nasa without a clear future in manned space flight beyond the ageing shuttle programme - and could lead to the agency's dis-

Mr Daniel Goldin, who was appointed Nasa administrator by former Presideot George Bush early last year and has been kept on by President Bill Clinton, put on a brave face when he appeared before the Senate science, technology and space subcommittee this month. "Wa are not afraid," he said. "If we fail [in the Hubble mission), we will dust ourselves down and do it again." But Mr Goldin pleaded with the senators not to cut Nasa's budget any more. The Bush administration reduced its fiveyear spending plan from an original request of \$106bn in 1991 to \$96bn; since then, this had been cut to \$78bn - and it could fall to \$71bn, according to the latest proposals.

With everyone's attention focused on the space-walking astronants and the implications for Nasa of their success or failure, the astronomers -for whose scientific benefit the repair mission is supposedly being undertaken – are feeling rather left out 'Although some people felt it

was an outrageous waste to spend \$2bn on the original Hubbla project, because so much money would have given far better returns to science if it had been spent on earth-based observatories, most of us welcomed Hubble because it brought in extra funds that would not otherwise have been spent on astronomy," said one European astronomer. "The same is true of the repair mission. Some astronomers were getting good results from Hub-ble, faulty as it was, and they didn't want to risk spending \$620m to ruin it, but most of us recognise that Nasa has to try to repair it for political rea-

Even if the Endeavour mission appears to be a spectacular success over the next 11 days, it will not be clear for at least a month whether the astronauts have repaired Hubble and Nasa's reputation. It will take several weeks to remote-test all the new equipment, before Nasa can send the telescope instructions to start observing. Few pictures in history will be awaited with such Joe Rogaly

# Better secret than sorry



mind can imagine a settled solution to the problems of Northern ireland - or certainly not one

that could be in place this century. There is, however, a faint chance, a sliver of hope, that the cycle of violence may be brought to an end somewhat sooner than that. This hope-has been kept alive, even nurtured, by the weekend storm over the government's back-channel contacts with the IRA. Let us take each of these

propositions in turn. The first tells us why the news from the six provinces is always so dole-ful. There is not space enough, nor time, to go through the long history that led to the establishment of the Republic of Ireland and Northern ireland on the same island. The alusiveness of a solution sufficiently demonstrated by reminding ourselves that the-Protestants are a separate tribe from the Catholics. There is a sad record of mutual hostility. You have only to read republiin the face of the Reverend Ian Paisley, the Buthelezi of Belfast, to appreciate that. No arrangement that completely

satisfies the one tribe will be acceptable to the other. Establishing a united Ireland tomorrow might create a new Bosnia in its north-eastern quarter. So might a unilateral withdrawal of troops; likewise the creation of a quasi-independent state of Ulster, followed by the relieved turning of John Bull's back on the lot of them. Fully incorporating Northern Ireland into mainland British institutions would not bring peace from the republican side. Going back to the use of internment of known terrorists

Nobody with a would at best deliver only a rational cast of temporary respite from the temporary respite from the killing. It did not work last time, and would not again. Wiping out the opposing terrorist groups is not an option for a liberal democracy. In short, there is no military solution, and no plausible political

> This might appear to invalidate the proposition that there may be a way to end the vio-lence. Yet by all accounts Ulster is war-weary. There is a strong desire for peace. This is recorded in many opinion polls and has recently been made clear in statements and marches on both sides of the border. Partly for this reason, and partly as a result of a perhaps over optimistic reading of intelligence

Major's peace gathered from and about the initiative is too IRA, the British important to be perceived an stopped in its tracks by the opportunity. Wa do not know precisely when this shaft unserious custom of light struck with his motives

the documents released vesterday suggest that it was in February this year, or possibly ear-lier. The government took its chance, and launched tha peace initiative that was nearly destroyed by Sunday's news that it has been in communication with the IRA.

No one can be happy at hear-ing that ministers have failed to be wholly open and frank about their actions, particularly when political honesty is in such short supply. That said, it can hardly be denied that Mr John Major and Sir Patrick Mayhew were correct to use an intermediary to explore, supposedly in secret, the possibility of a ceasefire by the Irish Republican Army. The fact that they did so was heavily disguised by protesta-

tions that they were not nego-tiating with terrorists. Nor were they, but nobody with any sense would have assumed that there was no means of communicating with the

opposing mayes.

All that has happened over the past few days is that the prime minister and the Northern freland secretary have been caught using weasel wards in a worthwhile cause. It weres in a wormwhile cause. It foods as if they have got away with it and rightly so. Rightly? Forget, just for the moment, afour Mr Major's weak points. His peace initiative is too important to be stopped in its leader of the larger Unionist tracks by the unserious custom party, cemented his alliance of finding fault with his with the government by openmotives, or his methods or, also too often, his results.

Admittedly his score in all three areas is less than per-fect Mr Major's attempt to find a formula that brings peace may be founded on the ignoble of finding fault proposition that, if he pulls

this one off, his reputation will be restored. His method, that of the whip, has involved at best verbal acrobetics - and at worst statements that do not convey the whole truth. It is evident that the balancing act that gave so much hope last. week nearly came unstuck this ek, the curse of our butterfingers prime minister may be that much of what he touches seems to fall through his fin-

Yet the potential prize, a cessation of the random killings of innocent civilians, is too valuable to be lost by reminding ourselves of one politician's negative characteristics. It took courage for Mr Major to for negotiating a settlement. Cymics will point out, yester-

he had reason to believe that a ceasefire was about to be announced by the IRA. This does not materially diminish the political risk he took. As we can now see, the IRA is not easily pinned down, and it was always possible that the veil of secrecy would be sundered.

That is what has now occurred it has not destroyed the government. Conservatives united behind the prime minister yesterday, in itself a striking indication of the ripeness of the time for his peace initiative. Mr James Molyneaux, ing his remarks with the obser-vation that Labour's spokesman on Northern Ireland speaks for Mr Gerry Adams, leader of Sinn Fein Labour has held its hand, knowing the penalty for appearing to jeop-ardise the chances of peace.

Thus fortified, Mr Major will press on. The back-channels will be used again, if necessary. The IRA may have been given an overdose of what Lady Thatcher called "the oxygen of publicity"; it should now announce the permanent ceasefire that the government repeatedly calls for in the pub-lished documents. The Protestant paramilitaries should do likewise. There is no reason not to, so long as the govern-ment is committed to giving the voters of Northern Ireland the power to decide on any arrangement that may be made about their future.

There may be no obvious political settlement of this tribal conflict, but at least getting everyone to lay down their guns and rely on negotiation and the democratic process would bring a period of respite. Ireland's history suggests that the odds are strongly against success. Mr Major may fail. Yet he is right to carry on, secret communication links and all.

## LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

## Levitt: integrity can never be relative

From Mr Graham Ross Russell. Sir. The Levitt case raises the question of the role of integrity in financial affairs. An individual's integrity is important in all husiness dealings, hut nowhere more so than in financial services where the repercussion of having a rotten apple in the barrel can affect such large sums of purpose of promoting compemoney and hurt so wide a

range of victims. Tha greatest hurt to victims occurs when a financial services company fails and is not able to meet its liabilities or compensate for past misfea-sance. Firms fall for one or a combination of two reasons over-trading or dishonesty. Hopefully, the action now taken by regulatory authorities in monitoring the trading and capital requirements of firms means that the chances of a financial services company failing through over-trading are moch reduced. However there still remains the danger of dishonesty, when an individ-

It is recognition of the vital rity in "small" matters is futile three-year prosecution importance of integrity in unlikely to resist temptation if and costly trial.

Cone cannot kelp feeling that importance of integrity in financial dealings that the Securities Institute has as the first of its two main purposes the maintenance and strength-ening of standards of integrity. It is in recognition of the importance of this purpose, and of the institute's second. tence and training, that tha institute has received overwhelming support from indi-vidual practitioners in financial services and their firms since it was founded in March 1991. A member of the public dealing with a member of the

ing with a professional whose integrity and competence is recognised by his peers. It would be a sad day for the City and for the future of financial services in the UK if it were ever thought that "small" lapses of integrity are excusable and in a different category from other forms of dishonesty. Surely integrity, like pregnancy, is not relative? An individual who lacks integ-

institute knows that he is deal-

the test in "large" matters.
"Borrowing" money from a pension fund and lying to a regulator are both failures of integrity, and it is not clear that the latter is less serious Graham Ross Russell. chairman, Securities Institute,

Centurion House, 24 Monument Street, London EC3R SAJ

From Mr Richard McManus Sir. As the self-confessed fraudster Mr Levitt declares himself 'a great believer in British justice" ("City anger at community service order for Levitt, November 27) there

must be many of us who are questioning our own beliefs.

Mr Justice Laws asserts that 186 hours community service is "commensurate" with tha ted but the same cannot be said for the squandering of mil-

the money could have been

better spent directly on a host of worthy projects aimed at improving the lot of those in need of support from the com-munity. It is indeed possible that Mr Levitt may have accepted his operous sentence without the Serious Franc Office and members of tha legal profession labouring quite so long. Aside from the specifics of this case it does seem foolbardy to indulge in long-winded investigations and prosecution when the main result may be to demonstrate publicly to prospective crimi-nals that they have little to fear from the vagaries of the

British justice system if they are brought to book. Is it possible both to deter wrongdoers and leave the fodiciary complete discretion in

Richard McManns. First Europe, lions of pounds from the 44 Upham Park Road, strained public purse in a London W4 1PG

#### A restriction | Other textiles barriers must come down on exercise of choice

ual's integrity gives way to

greed or fear.

From Mr Tony Hockley.
Sir, It is heartening that Sir
Bryan Carsberg, director-gen-eral of the Office of Fair Trading, has decided that the OFT should investigate the net book agreement (\*Book pricing me faces review", November 24). The timing of his announcement is impeccable. While the industry is purport-ing to defend the public inter-est with its "don't tax reading" campaign, he has highlighted the degree of self-interest that the campaign is also serving.

Based on experience elsewhere, the freeing of book prices from the grip of the publishers would do at least as much to promote literature as tha tax break. Regardless of the direct costs and benefits, however, the current situation is both economically and politically unacceptable. It has a negative impact upon competition from other modes of communication and reflects a view that taxpayers should be restricted in their ability to exercise their own choices.

Even if the publishing industry does manage to survive this latest attempt on its empire, at least the inquiry will raise public awareness of ways in which we are subsidising it, not only through taxation but through prices. Tony Hockley, 44 Marsham Court, Marsham Street, London SW1P 4JZ

From Mr J A Nightingale. Sir, The policy adviser to Christian Aid, Mr Peter Madden, in his letter on textiles in the Uruguay Round (November 23) omits one vital point. Agreement to phase out the General Agreement on Tariffs and Trade multi-fibre agree-ment (MFA) is dependent on action being taken at the same Uruguay Round world. Their removal will stimulate develop-

time to remove other barriers many of them far more stringent - which restrict international trade in textiles and clothing, not least in developing countries.

The linkage was recognised by all the Gatt contracting par-

ties when the original Punta Del Este declaration initiating the round was drawn up, and remains an essential compo-nent of any final agreement. opportunities. Time is running very short Import bans and prohibitively high tariffs (many currently exceeding 100 per cent) can have no place in the post-

developed countries and this will provide at least as great a ulus to their economies as will the phasing out of the It will also, together with the

ment of trade between less

peak tariffs by developed countries, enable our own industry to seize essential new export

to allow a complex set of tariff negotiations to be completed by December 15. It is time for all concerned to knuckle down to some serious bargaining. J A Nightingale. erecutive chairman

Apparel, Knitting & Textiles British Apparel & Textile Centre, 7 Swallow Place. equally necessary reduction of WIR 7AA

## Monitoring of radioactive discharges

From Dr Bryan Edmondso Sir, I was concerned that Mr G A H Watts letter (November 27/28) and indeed its headline The unmeasured threat from nuclear power station emissions" - may have misled your

Monitoring of radioactive discharges from all Nuclear Electric's power stations is of course continuous, 24 hours a day. Wide-ranging environmen-

checks demonstrate the negligible effects of our discharges. as our area medical officer con-firmed to Mr Watts in previous correspondence.

All monitoring results are published - both Nuclear Electric's and those of independent regulatory agencies. They confirm that there has been no build up of radioactivity in the environment around our power

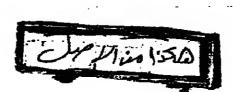
I am sorry that Mr Watts has

developed such a serious ill-ness. Thirty years of detailed environmental monitoring both in the vicinity of our power stations and around Mr Watts's home, strongly sug-gest, however, that he should look elsewhere for the cause. Bryan Edmondson, director of health and safety. Nuclear Electric, Barnett Way, Rarrangood. Gloucester GLA 7RS

## A franchise for the future on British Rail's name

From Mr Alan D Morrison. Sir. I was most interested to read ("50-year rail franchises urged", November 23) that Mr Roger Salmon, franchising director, wants to see rail fransuch as complementary ticket. systems and sharing of sta-

chisees set up an association of train-operating companies to take a lead in discussing issues ciation. Alan D Morrison.



FINANCIAL TIMES TUESDAY NOVEMBER 30 1993

## FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700 Tuesday November 30 1993

## Frank talk, Mr Kohl

to start today, is not just another routine event. It is also an oppor-tunity for frank, private talk about the European Union's role in the Uruguay round of multilateral trade negotiations. With the deadline two weeks away, this

35tor.

may be the final chance.

Last week, Germany's chancellor, Helmut Kohl, agreed with the
British prime minister that failure
of the round would be "intolerable". He will need to transmit this understanding to the French leaders. Public denunciations would be counter-productive. But this should not prevent a quiet proffermg of both a carrot and a stick. First, though, must come appreciation of the position. It is in the interests neither of the European Union nor of any single member to see the round fail. It would be still more ruinous if that failure were to caused by the recalcitrance of the EU. Maddest of all would be failure over agriculture. Even in France, agriculture employs only 6 per cent of the population and generates 3 per cent of gross domestic product. This French neurosis does not show appreciation of the country's long-term economic interests.

Should the round fail over the issue the European Union would confront three crises. The first would be over the credibility of its desire to act as a positive force on the world stage. The second would be in transatiantic relations. The last and deepest would be over Europe's place in the world. If the round were to founder, to what role, other than a marginal one, could the EU aspire? The US has alternatives, notably its close relationship with the world's most economically dynamic region, as this month's meeting on Asia

Building quality

The Financial Times Architecture Award, which reached its final stage yesterday, shows that the best building in the UK today remains of a remarkably high standard. A large entry probably. reflects the culmination of the UK development boom of the 1980s many of the entries were commissioned at that time and completed later. But to be able to field a set of recent buildings as distinguished as Stansted Airport, the Cranfield Library, Schlumberger Research, the IBM/MEPC joint venture at Bedfont Lakes near Heathrow, as well as the winning Queen's Stand at Epsom, is a real

With almost one third of the architectural profession in the UK unemployed and the top practices having much of their work abroad, the question is whether these standards can be maintained. Recession in the construction industry is the main worry. But business could do mnre to encourage good work, as could the government - especially when it comes to the few new buildings it

As Sir Simon Hornby, chairman Britain.

of the Lome convention? Both the European Union and France must remove themselves

(Apec) in Seattle indicated. Is the EU to focus its efforts on increased trade with a bankrupt

Russia, a troubled eastern Europe and the mostly stagnant members

from the book on which they are impaled. This can be done by accelerating the EU's move towards world prices for agricultural commodities and simultaneously increasing compensation to farmers. The latter would be particularly important if - as the French fear, but the European Commission denies - the Blair House accord were to prove more restrictive than the EUs agreed reforms of its common agricultural policy.

in addition, the French should be assured of strong support where their case is rather stronger, as it is over audiovisual services and, above all, over the obstacles being created by the US. The EU needs to go on the offensive. It can readily do so. The US is vulnerable over its miserly attitude to liberalisation of trade in textiles, over its last-minute amendments to rules governing anti-dumping and services and, first and foremost, over its desire to play fast and loose with multi-

lateralism itself. The Germans are right not to hector the French in public, but they must play the frank friend in private. France needs to understand that it cannot exercise a veto that it does not, in fact, possess. This is the stick. Assistance with the resultant political problems is the carrot. In the end, however, it is up to French politicians to persuade their people of the evident truth that clinging to an agricultural past will not give

presentation, quality buildings require good clients as well as

good architects. But Britain lacks

the "culture of good design" that

is understood at the highest level

in other European countries. Buildings that have been let or

sold well in the City in recent years have tended to be those that

were well designed. Better build-

ings do mean better business.

while employees rightly have ris-

ing expectations about their working environment. A glance at the

empty and decaying Paternoster Square by Saint Paul's Cathedral

shows the real cost of poor archi-

tectural and planning standards.

Cost paring by fee bargaining and "design and build", where the

architect plays a minor role in the

design and construction team,

does not provide the best

long-term value for money. Award

schemes are one way of raising

clients' sights. But the main

answer lies in visual and architec-

tural education that should con-

tinue, with informed and sus-

tained advice, into the cabinet

room and the board rooms of

Every area of the business is examined with an eye to cutting costs, Clubs spend virtually nothing on advertising, and employ very few staff. Goods are sold in bulk off steel racking, in vast, spartan sheds built on the cheapest available sites; and clubs stock a highly selective range numbering only 3,500 items (compared with 15,000 in a typical grocery superstore), but stretching from corn flakes to computers and car accessories.

t is being called the most

important development in UK retailing since the arrival of

the supermarket in the 1950s. In Thurrock, Essex, US com-

pany Costco today opens its doors as Europe'a first US-style ware-

With six more clubs scheduled to

open to the next few months, UK retailers are getting distinctly ner-vous. The three biggest superstore

chains recently waged a costly -and ultimately doomed - legal bat-

tle to try to stop Costco opening,

while another national chain has warned suppliers it may stop buy-

ing from them if they supply the

standable. In the US these huge sheds, which stock goods at ultra-

low prices for sale to business and

individual members - in practice, almost anybody in steady employment - have been nicknamed tha "silent enemy" because of the insid-

ious but devastating impact they

have had on more traditional shops.

In the UK, while their market share may be limited, they are expected to

force many other retail chains to

lower their prices, and persusde

some of them to change their entire style of operating.
"I think it is right to talk about a

new epoch in UK retailing," says Mr Paul Morris, retail analyst at Gold-

man Sachs, the US investment

His prediction is based on

research in the US, where in 10

years, warehouse clubs have taken

retailing by storm. Their numbers

have increased from 21 in 1983 to an expected 750 by the end of this year,

about \$40bn, although their growth has slowed in the past two years -one reason why club operators are

While US supermarkets usually

trade at a gross profit margin of

about 25 per cent, warehouse clubs

The key to their success lies in taking an old retailing strategy -

pile it high and sell it cheap" - to

Clubs offer branded products at

prices 25 to 30 per cent cheaper

than high street retailers, with some up to 60 per cent cheaper. They achieve such prices by cutting

costs and profit margins to the bone, with the aim of shifting huge

looking towards Europe

cut that to 10 per cent.

its logical conclusion.

volumes of goods.

The retailers' anxiety is under-

A final important element is membership, on which clubs rely heavily. They typically have more than 40,000 members, each paying about \$25-\$30 (£17-£20) a year, and membership income can account for 80 per cent of trading profit. So far, clubs in the US bave not experienced problems with non-payment of fees but it could prove one area of weakness in the UK. for cl As they cross the Atlantic, the shops.

T t is 10 n'clock on a Saturday morning and the 650-space carpark outside Costco's Clif-ton warehouse, on the New Jersey fringes of New York city, is

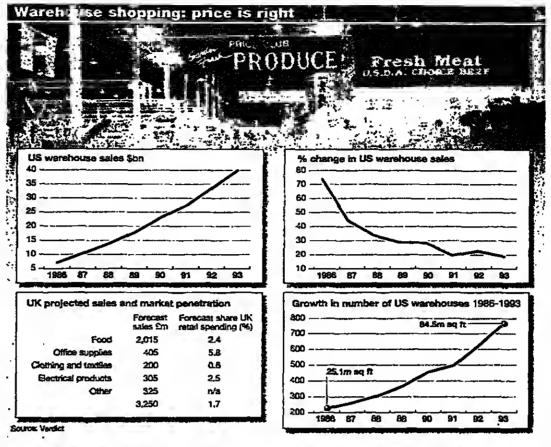
filling up.
The building itself is nothing out of the ordinary: it is just one of several featureless sheds on a business park off the expressway. The attraction is the goods on sale - or more particularly, the price tags

One man coming out of the warehouse is pushing a trolley stacked with car tyres and tins of motor oil. He is a local taxi driver named Brett Lines, and he has just spent \$240. But be says the same goods would have cost a third more anywhere else. "I just saved close to 80

Howard Myers, a metal dealer, has spent \$237.19 on an assortment of food, car accessories, electrical appliances and bousehold goods. "I

Neil Buckley scours the retailing horizon as warehouse clubs arrive in the UK

## Silent enemy stalks the aisles



question facing warehouse clobs is whether they can replicate their success in rather different conditions. Sceptics argue that UK land prices are up to five times higher than those in the US, pushing up warehouse clubs' cost bases significantly, and that UK shoppers may be less willing than their US counterparts to drive large distances to shop, to pay annual membership fees, or to buy in bulk.

On some of the narrow questions. consumer research is inconclusive. A recent survey by market research group Harris International Marketing found 51 per cent of UK shop-pers prepared to buy in bulk to save money. But only 27 per cent said they would pay an annual fee.

As to the larger question of whether clubs can have a viable future in the UK, the predictions are more positive. Verdict Research, the retailing consultancy, believes land costs will not be a problem: warebouse clubs do not demand prime retail sites, and the higher margins prevalent in UK retailing will make it easier than in the US for clubs to undercut existing

Verdict has identified 50 potential sites for clubs in the UK. Assuming what it regards as realistic annual sales of £65m for each outlet, that could give them a £3.25bu share of the £150bn total UK retail market

by the end of the decade.

Goldman Sachs is more optimistic. Taking only metropolitan areas, its retail analysts say there is scope for 51 clnbs. If less densely populated county districts were considered as available sites, a further 39 could be built. The firm believes cinbs could expand at the rate of 10 or more a year, and could achieve sales of £100m each, giving them a £9bn market share over the same period.

Verdict's sales forecast for warebouse clubs is equivalent to only 2 per cent of the total UK retail mar-ket, while Goldman's would give

them 6 per cent.
"What is surprising about the market share forecasts for warehouse clubs in the UK is they are actually so small," says Mr Richard Hyman, Verdict's managing director. He sees one reason for coostrained growth in the lack of areas

to support the clubs.

With such moderate forecasts wby are rival retailers so bot under

Part of the answer may be the clubs' expected upmarket customer profile. Although one-third of club members in the US are small businesses, the other two-thirds are individuals drawn mainly from higher income brackets. According to Nielsen Marketing Research, most club customers have an annual income of more than \$40,000 (£27,000), and many earn more than \$60,000. Clubs have done much to make discount shopping not just acceptable, but fashionable.

That could pose a problem for some UK retailers. The high-street food discounters which have expanded rapidly in the past three years, such as Germany's Aldi, France's Netto, and the UK's Kwik Save, have tended to target poorer customers. But warehouse clubs may tempt the more affluent households which currently shop at superstores such as Sainsbury's and Safeway. The breadth of warehouse clubs

they could cream off their best trade. Electricals retailers such as Dixons and Comet, consumer dura-bles retailers such as Argos, and furniture and DIY stores such as MFI and B&Q, could also suffer, according to industry observers.

The most important effect of warehouse clubs, however, could be the most subtle, evolving over several years. By offering auch low prices, in combination with the growth of high-street discounters such as Aldi, the clubs could set a new, lower "price floor" across the retail trade, squeezing retailers'

profit margins.

This, in turn, could be bad news for manufacturers. Dixons, for example, has told its suppliers it intends to match Costco's price on any product sold by both chains but it also says it intends to con-tinue making its usual profit mar-gin. The message is clear: supply Costco and you must cut your

"Dixons is wielding the big stick," says one supplier. "With times so tough, they know they bave the

whip hand over suppliers.

Other retailers may find different ways of competing. UK foodstores may follow their US counterparts which have attempted to fend off the warehouse club threat by offering savings of 30 to 50 per cent on bulk purchases of basic goods, often bundled together in "club packs". Sometimes these are sold off ware house racking in "club aisles", to mimic conditions in a club.

adopted even more of the warehouse clubs' low-cost techniques, to enable them to offer lower prices, while selling a larger, often more specialised range. The south-western chain Mega Warehouse Foods, for example, invites customers to "Shop us like a supermarket. Save like a warebouse club." It sells roundings, but offers 20,000 items compared to warehouse clubs' 3.500 and has no membership fee.

This trend may already be starting in the UK. J Sainsbury. which has the largest sales and sec ond-highest profits of any UK retailer, is opening an annex to its existing Savacentre bypermarket at Beckton, east London, which will sell mainly own-label tinned, packaged and household goods in bulk. There have been reports in the retail trade - denied by Sainsbury's - that the store will incorporate some basic design features of a warehouse club.

The opening of the annex may signal a sharp change of direction for the UK's top supermarket chains. The arrival of warehouse clubs is likely to accelerate the move away from the margin-led approach of the 1980s towards a more volume-driven strategy. But as in the US, some chains may decide they are fighting a losing battle if they try to compete with the clubs on price. Instead they could decide to concentrate on developing their strengths, such as choice, service and conve-

The result could be both lower prices and a wider variety of styles strained growth in the lack of areas with a sufficiently large population just food superstores which fear beneficiary would be the consumer.

## Where bulk is best

**Richard Tomkins** visits a Costco outlet in the US

have no idea how much I saved," he says. "But I came in here for some dog food and I came ont with a vacuum cleaner and a hairdryer."

The inside of the cavernous warehouse is austere, but brightly lit and clean. Goods are stacked on pallets laid not oo metal racks. Fork-lift trucks move continually up and down the aisles, replenishing supplies as fast as the customers exhaust them.

More than a third of the 117,000 sq ft floor space is devoted to food and bousehold supplies. The rest is taken up mainly by electronic 50lb bags for \$15.49, Hellmann's goods (desktop computers, televi-sion acts, andio equipment and white goods), office furniture and

supplies, do-it-yourself equipment, clothing and toys.
Warebonse clubs make their

money by selling large quantities of a limited number of lines. Even so, the variety is wide: goods range from paper clips (\$20 for 2,000) to grandfather clocks (\$999.99 for one). Other products include Huffy 18-speed mountain bikes at \$129.99. janitors' brooma at \$4.79, men's underparts at six pairs for \$8.99. and the Bible at \$25.

Food and drink sells mainly in bulk: sugar, for example, is sold in mayonnaise comes by the gallon at \$7.19, cans of Green Giant aspara-

**OBSERVER** 

ing \$8.99, and Budweiser beer is sold in 24-can cases at \$10.49. Shopping at Costco is for members only, but tt is easy to get in. Anyone in business can buy a mem-bership card for themselves at \$30 and six more for employees, friends or relatives at \$15 each. Member-

ship is also open to all public sector employees and their partners. Costco says 60 per cent of its sales are to business customers, but it is clear that many people are

buying for personal consumption even when using their business cards. So are conventional stores

up a large part of the organisation's

at least relocate it to a cheaper end

■ However, the recession doesn't

seem to be making any inroads into Britain's army of tax advisers,

£12m a year running costs, Will Morgan's successor have the stomach to close it down, or

of town?

Taxed men

feeling the pinch?

John Zuza, manager of the A & P supermarket half a mile down the

road, seems unconcerned; be says his sales have risen since the warebouse opened last year. "Most of our business is small orders," he says. "Costco is fine if you have a big family or you're having a party, but most people don't want to buy 24 rolls of paper towel at a time." He may be right. Even so, back at Costco, there are plenty of people like Jerry Marroue, a postal worker, and his wife, Joan, who have driven 20 miles to stock up on food and household goods.

Mr and Mrs Marrone say the \$95 they paid for their booty was less than half what they would have paid elsewhere.

Joan Marrone delves into their

trolley-load of goods and produces a pack of chocolate chip muffins. "You go in a normal bakery and a muffin that size would cost you \$1." she says, "We have got 12 for \$3.99. You just can't beat that. Britain is going to love this store."

## Levitt's law

The message sent by the outcome of the Roger Levitt case is unpalatable: one law for white collar criminals and another for the rest of us. More than 40 per cent of people found guilty of theft of less than £200 are sent to prison. Mr Levitt, whose financial services company traded fraudulently. leaving debts of £34m and many investors with serious losses. walked from court with a sentence of 180 hours community service.

The case represents another low point for the Serious Fraud Office. Just 18 months ago, following the collapse of the second Guinness prosecution and the failure of the year-long Blue Arrow fraud trial, the SFO was in the dock for throwing the book at defendants. and presenting prosecution cases of such size that the process became unmanageable. Now it appears to have swung to the opposite extreme, allowing a white collar criminal to escape trial on charges of forgery and false accounting as a result of a botched plea bargain.
What went wrong? The SFO

says sentencing is a matter for the judge alone. It admits that it knew Mr Levitt would not go to jail when it accepted his plea in return for dropping the other charges, but felt it could not then back out. The judge, Mr Justice Laws, felt a non-custodial sentence was "commensurate" with the offence to which he had

pleaded guilty. In reality however the case had begun to go wrong months before when, because of tts size, the judge ordered it to be split in two. After the SFO had decided to proceed with the fraudulent trading charges, the judge later ruled much of the prosecution evidence of Mr Levitt's alleged deception of

investors inadmissible in the first trial. The SFO appears then to have panicked. Faced with the prospect of a three-month trial in which Mr Levitt's lawyers would be able to put up a defence telling only part of the story, which the could not refute, the SFO decided to offer him a deal. Mr Levitt held out for a guarantee that he would not go to jail. When the SFO's worst fears were realised in the first days of the trial, he got his

Three steps need to be taken to avoid another such case. First, the SFO does not appear to have learnt the lessons of Bina Arrow. Inspite of reducing the charges against Mr Levitt from more than 60 to 22 the judge still regarded the prosecution case as too cum-hersome to be handled in one trial. The SFO must concentrate on a limited number of good counts, so bringing the case down to a manageable size.

Second, the case underlines the

need for any system of plea bargaining to be open and formal, allowing the judge to take into account the wider picture when deciding sentence. Plea bargaining can save a lot of public money. It should be encouraged, provided an appropriate sentence results. The Royal Commission on Criminal Justice recommended it. But the government has not found space for the idea in the criminal justice bill. If further study is needed, money should be made available

Finally, judges need to come up with a consistent approach to fraud. The contrast between the sentences passed in the first Guin-ness trial for an arguably victim-less crime and the result in this case is an unhappy one. The Lord Chief Justice should take the lead. Community service

Roger Levitt, famously bankrupt financial adviser, didn't have such a bad weekend after all. On Friday ha avoided a jail

sentence despite pleading guilty to fraudulent trading. Then on Saturday he watched Arsenal Foothall Club win a close-fought battle - two goals to one - against Newcastle United at Arsenal'a London home turf. Highbury. At the match Levitt occupied a familiar spot, a private box. In

his glory days, when £34m losses were but a distant speck on the horizon, he had a box of his own. Now Levitt must make do with one belonging to his friend Panos Eliades, an accountant and financial backer of heavyweight boxer Lennox Lewis - another interest they share, since Lewis was promoted by Levitt before he ran into his sticky patch. The lack of his own box did not

perturb Levitt. Chomping on a foot-long cigar, ha remarked: "Arsenal haven't played better for months." an assessment no doubt bolstered by his own easier breathing. Still, however chuffed, Levitt

chose not to sport his own rather special Arsenal shirt. When his

cash was in greater supply he is thought to have paid £4,000 for the

Directorless talking shop for Britain's

Gunners' shirt worn by Michael Thomas when Thomas scored the winning championship goal against Liverpool for Arsenal four years

Arsenal's detractors, peeved at the club's success, refer to it as Lucky Arsenal; but where would we all he but for a bit of luck?

Talent spotter ■ Never accuse Carlton

Communications' boss Michael Green of not covering all his bases. Just three days before he launched his bid for Central, which will give the combined TV group more than a fifth of total UK advartising revenues, he recruited a new non-executive director - Sir Sydney Lipworth, former chairman of the Monopolies and Mergers

Commission.
The quietly efficient Lipworth should be able to see off any self-important official who starts asking impertinent questions about absence of competition.

■ The Institute of Directors, the boardrooms, is running short of directors. Director-general Peter Morgan bows out next year, and his deputy, John Nicholas, is waving goodbye today



but I think he's in face-to-face contact with the IRA'

after eight years on the job. Although Nicholas's departure from the free-market pressure group is being described as a management restructuring, be appears to have been just another casualty of the recession. Faced with a drop in membership from 35,000 to 33,000 over the past couple of years, the loD has cut its staff by 10 per cent and frozen its annual fees at £160 for next year.

However, the IoD's management has yet to get to grips with its

biggest cost centre - its opulent beadquarters in Pall Mall, gobbling

who have been outbidding each other in a desperate attempt to hire big names for their budget KPMG Peat Marwick has hired Lord Lawson to sing for his supper this evening and Coopers &

Lybrand has Michael Portillo for breakfast tomorrow. Given that Norman Lamont has sold his soul to ITN, Ernst & Young has had to make do with Lord Healey, the former Labour Chancellor. He may be a bit rusty on current policy, but should be good for a more historical perspective.

Vox pop

■ Elizabeth Symons is thet unusual creature, a popular civil servant. Well, popular enough to be re-elected general secretary of the First Division Association, the senior civil servants' union. Symons, aged 42, has sometimes seemed a voice in a veritable

wilderness, speaking out for an independent, impartial civil service in an era of privatisation, market-testing and greater competition for Whitehall's top

An effective television performer, she has defended the values of the independent British public service. Her 10,700 members are clearly grateful; normally they are unable to defend themselves in public, a galling situation when daft olitical decisions not of their taking are pinned on to them.

Her re-election should also ensure the continuation of a little brightness at the Trades Union Congress. The printers' Brenda Dean and the university lecturers' Diana Warwick have gone; Symons is now the sole remaining female general secretary on the ruling general council.

Just too much

■ Another gem has been added to the annals of British Rail's list of inexcusable excuses for a frequently poor service. While London Underground was in greater chaos than usual last week. an exhausted and frustrated commuter vainly waiting on a platform in Essex beard these immortal words: "British Rail apologise for the late running of this service which is due to an excess of passengers".

## FINANCIAL TIMES

Tuesday November 30 1993



## World Bank urges China to maintain fight against inflation

By Tony Walker in Beijing

The World Bank has urged China to stay the course in its inflation fight and has warned of the risks of a painful retrenchment if credit restrictions are eased pre-

The assessment, published prominently in People's Daily esterday, seemed designed to bolster the arguments of those in the Chinese leadorship edvocating continued restraint.

"Relaxing the credit squeeze too early could ruin the hard-won fruit of controlling inflation, and inflationary pressures could emerge again," wrote Mr E.C. Hua, e senior economist in the World Bank's Beijing bureau. The conspicuous use of the

By Christopher Brown-Humes in Stockholm and Patrick Blum

Bargaining over conditions of entry for new members of the European Union is set to inten-

it wanted to end price support for

farmers from the day of acces-

sion, whon local prices would drop to EU levels. Governments

would be allowed to compensate

farmers for the difference

through state subsidies for a

negotiated period, which officials in Vienna say would cost Austria

Sch7bn-Sch8bn (\$588m-\$673m)

belonging to the European Free

Trade Association - Austria, Sweden, Finland and Norway -appears to be in part a way of

persuading Brussels to put up

more EU funds for their farmers.

The Austrian and Finnish

over three to five years. The sceptical response to the proposals by all four countries

proposals on farm subsidies.

views of international institutions to influence a bruising internal debate in China is a relatively new phenomenon and one that indicates the growing impor-tance of bodies like the World Bank and IMF as sources of advice. Mr Hua had prepared his assessment as an internal docu-ment in September, which makes its prominent use in People's

Daily all the more significant.

Mr Zhu Rongji, China's senior
vice-premier in charge of the economy, has been engaged in a fierce argument with senior colleagues and provincial chiefs who bolieve mid-year credit restrictions are too severe. Mr Zhn is the chief architect of e 16-point austerity programme

announced in July aimed et

Efta unhappy with

Brussels farm deal

economy which is expected to grow this year by 13 per cent for the second year running.

Mr Hua described these proj-

ected rates of growth as "unsustainable" . He warned that it was much too early to claim a "complete victory" in the anti-inflation fight Figures for October showed e

resurgence on inflationary pressures to an amuslised 21.1 per cent in the 35 main urban centres, up marginally from the previous month The World Bank economist

blamed spiralling growth in the money supply in the first half of the year for the surge in infla-tion. M1, the broad measure of money in circulation, grew 54 per

Mr Hua, in his preliminary assessment of progress in China's macro-economic reforms, said there was cause for optimism that the "worst had passed". But he warned that the big challenge for the authorities was to keep a tight rein on money supply growth while resisting pressures from state enterprises.

Since his assessment was circulated, however. China's antiinflation resolve appears to be weakening. Mr Zhu has been bliged to give ground to the state enterprise lobby. His case was not helped by

remarks attributed to Mr Deng Xiaoping, China's senior leader, in which he is said to have advo-

## VW unveils riveting system for new Audi

tainous regions of the four Efta However, a public row over agriculture could further weaken public support for the EU in the four, which hold referendums on

for farmers in remote or moun-

sify after objections from Austria and Finland to the Commission's entry next year.
A senior official from the Aus-Austrian officials say the plan trian chancellor's office said the to cut agricultural subsidies proposals "were presented in an could undermine public support for joining the Union. And leadinsensitive way. It had a very negative impact. They could ruin the pro-EU etmosphere in our ing Finnish politicians argue that country." Officials said ministries the Commission's suggestions do not go far enough to meet its farming community's climatic and geographical difficulties. wore besieged last week with angry telephone calls from Aus-trians saying they would vote The Commission said last week

against membership.
Mr Franz Fischler, the Austrian agriculture minister, said:
"The Community has changed its negotiating position. This is a new situation for Austria and it is not acceptable."

The proposals were rejected by Austria's farmers' association which said they would ruin farmers and the local food industry. The government, which is grap-pling with recession and a budget deficit, would not have the money to pay compensation, the association said. It threatened to advise its mombers to vote against membership. Finland has made regional aid

and agriculture the key issues in its EU membership discussions. negotiations with Brussels over been more positive.

progressively scrapping spot welding as a way of joining car body panels together in favour of a self-piercing riveting process. The system, which will be used to build Germany's largest vehicle maker's new aluminium-bodied Audi car for launch next year, has been developed in partnership with Henrob, a small company based in Flint, north Wales, currently employing 34

Volkswagen is considering

people.
The project has been kept secret for nearly four years and is now covered by patents held jointly by Audi and Henrob. We're just glad that Audi are at last letting us talk about it," said Mr Keith Jones, managing direc-tor and majority shareholder of the privately-owned Henrob. Under e confidentiality agreement, Henrob would have been required to pay Audi a DMIm (\$447,000) penalty for any breach of confidence which predjudiced the DM1.1bn aluminium car

Self-niercing riveting as a technology for joining sheet materials is around 30 years old and Henrob acquired the rights to the basic processes 12 years ago. But the bulk and inflexibility of the plant and equipment required, and the corrosion risks associated with the way the system its potential application. Subseignored by the motor industry to

. However, the process and equipment developed by Henrob and VW produces joints 30 per cent stronger than spot welds and virtually eliminates the corrosion risk, according to Mr Klans Gngisch, Andi's manufacturing planning director. "Another advantage is that it requires a lot less energy than

spot welding," he said. Crucially, the two companies say it is as fast and flexible as the robotic multiwelders now used to assemble the several hundred individual pressings which com-prise a conventional steel car

Henrob's robotic riveters are similar in appearance to multi-welders, can be manipulated in the same manner and require no more working space. The process requires no pre-drilling but shares the multi-welders' disadvantage of requiring access for the riveting tool to both sides of

The new Audi, to be called the 300, has 68 per cent of its body joints made with the riveting

The process has also been developed to join steel compo-nents, which are substantially harder than aluminium and which are currently used in the majority of car bodies.

Rivet pioneers, Page 7

#### THE LEX COLUMN

## Carlton opens the box

over race, Cariton Communications has leapt out of the blocks by making a £524m conditional offer for Cantral.

If the bid proceeds, Carlton will emerge as the dominant force in UK. commercial television, commanding 30 per cent of ITV advertising revenue and with further shareholdings in ITN, GMTV and Meridian.

But Carlton is paying a fat price for the privilege, forking out the equivalent of 25 times Central's forecast earnings for the shares it does not already own. The talk of resultant cost savings is also worryingly vague. Con-tral is leanly run and has recently reduced its staff from 2,050 to 840. But it is probably fair to take Mr Michael Green's assurances about non-dilution on trust, given his ability to leaf freely through Central's management accounts as a non-executive director. Cariton can certainly channel more production through Central's lossmaking Nottingham studies and rationalise some overheads.

Moreover, Carlton's balance sheet will not be unduly strained by the move. Indeed, with post-acquisition gearing of just 30 per cent, Cariton will remain strongly placed for further expansion if the FTV rules are again relaxed. That would further improve the quality of Carlton's earnings, supporting the case for e stock market re-rating.

There remains e slim threat that either parliament, the MMC or a rich. foreign bidder could stymic Cariton's plans. The serious longer term worry is whether the combined group's management will prove volatile, given both companies' strongly independent cultures. But such traditions could also hinder the emergence of a powerful rival, creating resistance to any suit by Granada for LWT. The sector's first hostile bid may yet result.

Japan

The downward slide of the Nikkei average should not send a shudder through the world's financial markets just yet. While previous bouts of weakness have tempered the enthusiasm of Japanese investors for foreign stocks and bonds, the overall pattern of buy-ing has remained intact. True, Japan recorded a rare long-term capital account surplus in 1991 after the bubble economy burst. But e sharp decline in direct investment abroad by Japanese companies – and heavy buy-

ing of Tokyo equities by US and Euro-

With Mr Peter Brooks still fumbling to load the starting gun for the FIV take. FT-SE Index: 3135.8 (+24.4)

Japanese portfolio investors remained the Nikkei fell below 15,000 last year. With four months to go before their financial year-end, Japanese institutions have little immediate need to take overseas profits to cover book losses at home. Low interest rates have anyway diminished the attractions of yen bonds or deposits. The recent weakness of the yen is an addi-tional incentive to hold foreign cur-rency assets. The exchange rate might also serve as evidence that Japanese investors are not preparing to take capital home. Even though the currency market remains preoccupied with other factors — notably the grim economic outlook in Japan — wide-spread portfolio selling might be expected to made the yea higher.

Still, experience suggests that a tion. The market will thus be alert for tumbling domestic equity market and any shift - more probably of emphasis economic uncertainty at home will rather than direction - in strategy cause bullish Japanese investors to One issue relates to the loan market, pull in their horns. European bond markets which have thrived on Japanese interest so far this year may have to learn to live without.

Lasmo

The recent fall in the oil price must be making e few eyes water in the Lasmo boardroom. Even though oil: prices have averaged \$17 a barrel this year, Lasmo is likely to lose money in 1993. This is despite £426m of exceptional items, including asset write downs, which the company took in respect of last year. In part, the unprofitability arises

because the carrying value of some

tion, the cash flow position does look more healthy. That argues for a further write down, but Lasmo's halance sheet is already 70 per cent geared, so institutions and banks may bridle at a further when the state of the state further sharp rise. The company's debt is also predominantly in dollars, and further falls in sterling would raise

Aside from accounting issues, Lasmo may have to conserve cash if the oil price continues below \$15. The remains of the dividend must be under remains of the divident must be interest, and the capital expenditure programme may be curbed even though that threatens future development. The alternative of combining a page of the combining a pa capital injection with a passed divi-dend would be difficult to sell to shareholders. A bid for Lasmo's assets also seems unlikely while prospects are so uncertain and estimates of its asset value differ so markedly. Lasmo will have to hope that its US shareholders, who seem unconcerned about dividends, are in for the long haul.

**HSBC** Holdings

It was the Bank of England which brought in Sir Peter Walters and Mr Brian Pearse to sort out Midland Bank long before HSBC's successful bid. Now that the job is done, a natural break seems in order. That, rather than disagreement, seems to be behind yesterday's announcement that the two men are moving on Set against expectations that Mr Pearse would eventually assume the chairmanship of Midland, though, the news rein-forces the impression that HSBC is tightening its grip on its new acquisi-

where Midland has become noticeably more aggressive. It admits to concern over the fall in margins on large UK corporate loans, How far it is prepared in practice to restrain its lending as competition for business increases is another matter. Then there is the question of the speed with which HSBC's sophisticated retail technology can be adapted to the UK market.

Getting the answers right requires local experience of the type HSBC is forfeiting with the departure of Mr Pearse. Admittedly, a group with such a far-flung empire always has to wrestle with the question of how decentralised control should become. The latest message from Midland is that its par-

## EU to face France-UK split over airline crisis

Continued from Page 1

[2] should invite the Commission to reflect on a fleet reduction plan achieved by agreement with the financial organisations, carriers and manufacturers," the paper says. France calls for a better balance between competition rules and the long-term objective of creating a "powerful and prosperous air transport

**Europe today** Frontal systems associated with low pressure areas over the Atlantic will move across the British Isles and into the continent. They will bring cloud and

outbreaks of rain or sleet to eastern England and western France. Further inland, in north-

eastern and eastern France, precipitation will turn to snow. South-western areas of the

Spain and Portugal will have rain or show specially in northern and central parts. Central and eastern Europe will be wintry

with sunny intervals, Low pressure near Greece will brung rain or showers to most of

Low pressure systems from the Atlantic will

result, wintry conditions will slowly ease over

the continent. Initially, there will be more outbreaks of snow or freezing rain, but precipitation will turn to rain later. North and eastern Europe will have outbreaks of

wintry with outbreaks of snow. Five-day forecast

In this context, the KU and member states should provide financial support for restructuring, retraining and redundan-cies. France also wants to tighten up on safety and labour norms to prevent carriers from reregistering aircraft outside

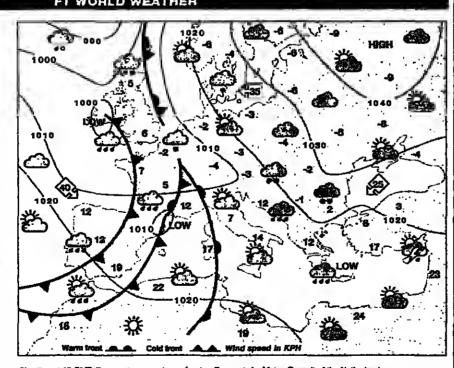
The UK paper, by contrast, points to the return to profit of airlines in countries with more liberalised markets - Lufthansa

in Germany and KLM in the Netherlands – arguing for effec-tive management rather than protectionist measures. "Airline managers simply have to get their costs under control," the

sels should outlaw "the injection

of large amounts of money by states into certain airlines in a way which distorts competition". The UK paper calls for ete in rationalising Europe'd fragmented air traffic control systems, which cost airlines six to eight times more than the US ATC system, and for Brussels to crack down on monopoly han-dling arrangements at some European airports.

## UK says. "Some quite evidently have this well in hand; others, equally evidently, do not." The British government says capacity restraints will penalise efficient carriers and that Brus-FT WORLD WEATHER

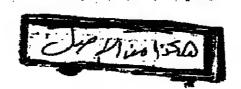


with showers or rain but on Friday drier conditions will move in from the west.

26 28 15 1 6 30 7 4 30 7 24 14 -2 20 8 6 -1 -5 6 33 -1 -6 snow cloudy cloudy cloudy fair cloudy snow fair fair Your bonus program. Lufthansa Miles & More. Lufthansa

This announcement appears as a matter of record only £2.1 million further financing by **CINVen** to assist **Nationwide Access** Platforms Limited in the acquisition of the Access Rental Division of Roskel plc Equity provided by **CINVen Funds** Coopers & Lybrand, Birmingham were the investigating Accountants

Having the capital to back a big idea is only half the secret. Having the vision to spot one is the other half.



Bank creditors representing more than 85 per cent of the total bor-

rowings of Italy's Ferruzzi group

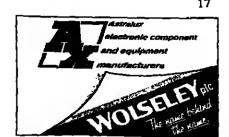
yesterday gave their approval to a controversial rescue plan drawn up by leading Italian lend-

Reaching the 85 per cent level

means shareholders' meetings to

approve the recapitalisation of the Ferruzzi Finanziaria (Ferfin) holding company and Montedi-

ented last month.



#### INSIDE

## Blessing Italian bank mergers

The Bank of Italy has in recent years encouraged mergers to create stronger, more competitive financial institutions. Page 18

US and European investors are manceuvring swiftly to take stakes in Mexico's fledgling insur-

Noranda cuts timber

Noranda, the resources group controlled by Toronto's Bronfman family, is reducing its exposure to the forest products sector by cutting its stake in Noranda Forest, its pulp and paper subsidiary, from 83 per cent to 74 per cent. Page 20

Airline may collapse
Aerolineas Argentinas, the troubled carrier operated by Spain's Iberia, may be allowed to collapse.

Equitable injects
Equitable, the US insurer, plans to inject \$800m into its US life insurance company before the end of the year. Page 21

rtae names finance chief Qantas, the government-controlled Australian sirtine, has announced that Mr Gary Toomey had been appointed chief financial officer with effect from December 1. Page 22

Bank results provide few answers It has been a mixed results season for the Austra-lian banking sector. Page 22



Dalgety, the UK food and agricultural supplies group, has bought Paragon Petcare from British Petroleum for £42m (\$63m) in cash. Dalgety says the deal will give it continental sales of more than £100m annually and 12 per cent of the European petfood market by volume. Page 24

Tring postpones flotation Tring International, the UK budget price compact disc company, post-poned its planned flotation. Page 34

Shares in Dorling Kindersley, the recently floated UK publisher, fell nearly 10 per cent after the publisher warned that trading had been disrupted by a computer problem. Page 24

Eastern Electricity today opens the interim results season of the 12 UK regional electricity companies.

#### Companies in this issue

AF Inds	25 Indocement	
NZ ·	22 Kalamazoo	
kerolinees .	21 Keystone Investment	
ir Liquide	12 Latham (James)	
decander Proudfoot	12 Magna Int'l	
ssociated Nursing	24 Markheath	
SCE .	26 Merrett	
Sorthwicks	26 Menydown	
Iristol Evening Post	24 Midland Bank	
British Aerospace	24 Mitsubishi Motors	
Carlton Commits	17 NCC	
Contral Ind TV	17 Nat Australia Bank	
hine inv Trust	26 News Corp	
hrysalis	26 News Corporation	
Control Techniques	26 Nippon Life	
Court Cavendish	26 Noranda	
Dal-Ichi Life	21 Cantas	
Dakota .	26 Queen's Most	
Dalgety	· 24 Sabena	
Peltu Air Lines	17 Second HGSC	
Deutsche Bank	17 Sep Industrial	
Corting Kindersley	24 Shield Diagnostics	
Drayton Blue Chip	26 Simon Engineering	
FM Income Trust	26 Stakis	
iguitable .	21 Sumitomo Life	
&C Pep	26 Thwaites (Daniel)	
ementi Inti	24 Tops Estates	
emuzzi	17 Tring	
seinsborough Homes	26 Unichem Inti	
Sencor	22 Varta	
londa Motor	22 Vestey	
peria	21 Western Co N America	
nchcape	12 Westpac	

## Market Statistic

Buse lending rates	38	FORGOT RIBIG SQLARG	33-0
Benchmark Govt bonds	23	Liffe equity options	4
FT-A Indices	33	London tradit options	4
FT-A world indices Back	Page	Managed fund service	36-3
FT fixed interest indices	23	Money markets	3
FT/ISMA int bond svc	23	New Int. bond Issues	2
Financial futures	38	World commodity prices	3
Foreign sychenges	38	World stock ruld indices	3
London racent issues	33	UK dividends announced	2

#### Chief price changes yesterday

PRANKFURT Mass	(D)(0)			PARIS (FFr)			
AG ind & Work	<b>344</b> 5	+	15	Cred Lyon	700	+	19
Bill & Bergar	841	~	26	COPP .	1190	-	31
Heidelts Zees	1180	-	. 26	Credit Local Fr	450.5	-	13.
Holoman Ph	873	_	15	Force Lyconolog	821	-	29
Vanta	315	~	20.7	GTM-Entrepose	460	-	16
Voltarungen	394.5	_	11.5	imetal	528	-	20
HEN YOUR !				TOKYO (Yan)			
Piloto	_			Tilmes.			44
San Steven	40%	*	744	Shire	430	+	44
P Morgan	71		1%	Falls			250
Procher Streetie	5814	+	214	Dat-Achi Kangyo Kolousai Secs	1770 1350	=	230
Palks BU				REGER Conjuding	317	Ξ	54
BM	5434		134	Shows Robber	176	_	29
Motorpia	94		214	Yesuda Ist & Dk	675	_	86
Taxai Inst	631%	-	1	TREBUSE 154 Or UM	4.0		
New York or	ices at 1	12,3	Opm				
LONDON (P4							11

178 173

Sabena, the Belgian state carrier, is to strengthen its links with Delta Air Lines of the US. The Belgian carrier announced that the two airlines would share the Brussals-New York route from January 16. Passengers booking through Sabena or Delta will travel on one of Sabena's Boeing 747 aircraft to and from New York's JFK airport, and Delta will supply its own cabin crew.

Sabena, which has been working to cut costs and improve its service said the arrangement would save it some BFr600m (\$16.6m) a year in operating costs. In March, the two companies announced a similar deal on the Brussels-Atlanta route. Sabena said there was "always

Delta on other routes.

ambitious merger between four European airlines - Swissair, KLM Royal Dutch Airlines, Scandinavian Airlines System and Austrian Airlines. The carriers announced the end of talks last week after falling to agree on a

quickly to establish alliances lapse of the Alcazar talks.

foreign creditors and accepted the proposal. The decision, osten-Switzerland and Citibank. sibly for "political" reasons, weakened the front of non-Italian Last night, the four remaining

Ferruzzi creditors approve rescue plan

banks, which opposed the Mediobanca scheme when it was presin contacts with other foreign creditors, Credit Suisse said efforts to prepare an alternative requested by Ferruzzi". tual certainty yesterday after scheme would continue, in spite Deutsche Bank, one of the main of Deutsche Bank's decision to Credit Suisse said the foreign

Wednesday and hoped to share its conclusions with other foreign resign from the committee of five foreign banks. The other banks include Barclays, Union Bank of creditors before Christmas.

The Mediobanca plan calls for moratoria and below-market banks repeated their refusal to be rates on interest payments on railroaded into a settlement. Ferruzzl group borrowings, as well as reschedulings of most They said "such a complex plan debts. Ferfin had net borrowings cannot be the object of careful revisions and consideration of L22,600bn (\$13.4bn) at the end within the very short time

Last week, Mediobanca issued an "updated plan" which went banks' group would meet on some way to meeting foreign

hanks' criticisms by removing number of companies, to which from the rescheduling proposals. Shareholders in Ferfin and Montedison will be also asked to approve legal action against Price Waterhouse, which audited the two companies. The boards of Ferfin and Montedison say the firm failed to spot severe financial irregularities which allegedly arose under the previous man-

## Raymond Snoddy examines the first of the UK's big commercial television takeovers

critics of the restructuring plan, broke ranks with other leading

## Carlton bids £758m for Central rival

Mr Michael Green's Carlton Communications launched the ITV takeover game yesterday with an agreed bid for Central Independent Television which valued the second largest ITV

company at £758m. The cash and shares offer at the equivalent of £26 a share came Just five days after Mr Peter Brooke, national heritage secretary, proposed changing the ITV ownership rules to allow, for the first time, a single company to own a total of two broadcasting licences.

Mr Green, will become the most powerful figure in UK commercial television if the Central deal, conditional on parliamentary approval, goes through. The combined group will command around 30 per cent of total ITV advertising revenue. Central already owns 20 per cent of Meridian, the south of England broadcaster, while Carlton holds

Independent Television.

two large ITV licences.

ITV advertising market.

he consolidation of the UK's com-

20 per cent of Good Morning Tele-vision, the commercial broad-

son, its main industrial subsid-

iary, will go ahead as planned today and tomorrow.

chant bank behind the rescue plan, and Mr Guido Rossi, Ferfin

chairman, had stressed the

restructuring could be put at risk if the 85 per cent level was not

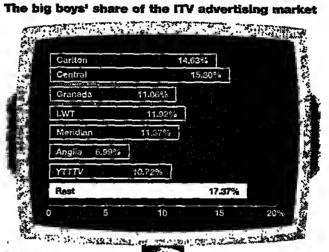
Securing the agreement of enough creditors became a vir-

Mediobanca, the Milan mer-

Carlton, whose interests range from television facilities and professional equipment to video-cassette duplication, yesterday underlined its growing strength by announcing a 26 per cent increase in pre-tax profits to Central's share price rose more

than £4 yesterday to £25.73 and Carlton finished 30p up at 797p. Two other forces in independent television are also expected to make takeover moves. Granada Group is thought to be eyeing London Weekend Television, a company in which it bolds 20 per cent, and Lord Hollick, chairman of Meridian Broadcasting, is predicted to go for either Anglia Television or HTV, the ITV company for Wales and the west. But neither Mr Gerry Robinson, the

Granada chief executive, nor



Lord Hollick like the current ITV share prices and it is far from

clear when they will make a Mr Green sald yesterday that the Central deal would create "a serious critical mass" of programme production and promised that appropriate Carlton network programmes would be made in Central's Nottingham studios, which are underused.

Mr Neil Blackley, media ana-lyst at stockbroker Goldman

Sachs, said last night: "In television terms it's a great move. It's a real power base.

The deal will lead to a reorganisation of administration and support services at the two companies and there are fears of job

Ms Anne Rawcliffe-King, of the broadcasting union Bectu, warned that the concentration of power within ITV resulting from the takeover would "seriously unbalance the system".



Michael Green: to become a dominant figure in UK commercial TV

## Right on cue for super league

mercial television network followed the expected script to the letter yesterday as Mr Michael Green's Carlton Communications made an agreed £758m (\$1.12bu) bld for Central Mr Green, who bought a 20 per cent as power brokers of the ITV network. stake in Central for £29.5m in 1987, Granada, which owns 20 per cent of

pounced less than a week after Mr Peter LWT, is expected to make a - probably £26 each - two years ago they stood at hostile - bid for the rest of the London Weekend station, Lord Hollick's likely Brooke, national heritage secretary, independent television company to own targets are Anglia Television or HTV. Three super ITV companies would The deal - subject to parliamentary then control more than 70 per cent of

approval of the rule change – will make Carlton by far the largest ITV company. With this would come the power to take Carlton by far the largest ITV company, broadcasting to 20m people and accounting for about 30 per cent of the decisions, which at present lies with an unwieldy 14-company structure. Talks got under way between Carlton

If the rest of the ITV takeover script runs to form, Mr Gerry Robinson, chief was still planning to bid for Anglia but was still planning to bid for Anglia but on Thursday decided to put it on ice to

Hollick, chief executive of MAI, the dominant sbarebolder in Meridian Broadcasting, could soon join Mr Green the weekend and the Central board agreed the deal late on Sunday. The deal values Central's shares at

> less than £7. It comprises £204m cash, Cariton accompanied the takeover

> news with preliminary results for the year to September, showing a 26 per cent increase in pre-tax profits to £126.1m on turnover up 56 per cent to £1.09bn. Earnings per share rose from 33.4p to 42p, and a final dividend of 11.3p makes a total of 18.7p, up 10 per

Ten years ago Mr Green reversed the

unknown Carlton into the Fleet Street Newsletter to produce a company capi-talised at £10m. The newly enlarged Carlton would be capitalised at more

Yesterday Mr Green, shoes kicked off, chomping contentedly on a cigar, who condemned him for jumping the legislative gun. He suggested the agreed bid was a model, with commitments to regional production underlined and plans for more programme production. "In television English is the international production language," said Mr Green, who is looking at the possibility of following BBC World Service Television into international markets, partic-

ularly in Asia. He is also chairman of

of its programmes from independent producers, while Central makes a significant proportion of programmes in to protect earnings. First signs are that the target will be £10m a year which

could mean job losses, mainly in admin-Mr Leslie Hill, Central's chairman and chief executive, will continue to lead it as a senarately run subsidiary

and will join the Carlton board. Carlton already has acceptances for

Independent Television News, in which

He promised an increase in pro-

gramme production at Central's Not-

tingham studios. The two companies are

complementary in that Carlton is a pub-

lisher-broadcaster commissioning most

has an 18 per cent stake.

the proposed deal representing 39 per cent of Central's equity.

#### This announcement appears as a matter of record only

European Bank for Reconstruction and Development

**International Finance Corporation** 

have subscribed respectively for 570,000 and 285,000 Convertible Preference Shares of HUF 10,000 each of

A Member of the World Bank Group



HUNGARIAN TELECOMMUNICATIONS COMPANY LIMITED

(value of transaction approximately US\$86,000,000 equivalent)

The Hungarian Government



Hungarian State Holding Company (AV Rt) Hungarian Telecommunications Company Limited were advised by



N M Rothschild & Sons Limited

November 1993

## executive of Granada Group, and Lord Australian securities industry votes against super shares

By Nikki Tait in Sydney

Fund managers and members of Australia's securities industry are strongly opposed to the introduction of shares with "super voting rights", according to a poll conducted by the Securities institute of Australia.

In a submission to the Australian Stock Exchange, which is canvassing opinion, the Securities Institute of Australia said a poll of members delivered "a resounding 92 per cent vote against such shares".

The results of the poll are a further blow to Mr Rupert Mur-doch's News Corporation which in September announced plans for an issue of shares with enhanced voting rights. Critics

fear such schemes would be used by managements to entrench their positions. The company has yet to issue formal details.

The SIA represents individuals

working in the securities industry. Significantly, stockbroking members voted 91 per cent in one vote" principle, the SIA said. Meanwhile, tha Australian Investment Managers Group, which speaks for most of the main fund management businesses, said that the "one share, one vote" principle had worked well and that "any move to bring in another regime, whose only purpose can be to allow a minority investor to have effective conintegrity of the Australian capital markets".

It stressed that the issue raised "an important question of public policy and questions of regulation to protect shareholders which are not just, or even mainly, for the ASX". Earlier this month News Corp

toned down key features of its proposed super share issue. The media company said it would place a "csp" of 40 per cent on the aggregate number of votes which could be exercised by holders of super shares. in addition, new shares would be transferable without loss of voting power and they would be quoted on the ASX which would need to change its listing rules to permit the News

## trol in perpetuity, will have adverse implications for the Sabena and Delta strengthen links with route sharing deal

By Andrew Hill in Brussels

the possibility" that the Belgian carrier might co-operate with The Sahena announcement follows the collapse of talks on an

suitable US partner.

Delta, which has cross-equity links with Swissair, was one of the possible partners. Sabena said yesterday that the success or failure of the four-way "Alcazar" alliance had not been a factor in negotiations with Delta on the Brussels-New York route. European carriers have moved

with their US counterparts in recent years. Air France, which has a large stake in Sabena, has linked up with Continental Air-lines of the US. The Belgian carrier said yesterday that the com petition between the two alliances would be slight because Continental does not fly between

New York and Brusse "This co-operation (with Delta) is proof that Sabena can develop its own strategy with the approval of Air France," said the Belgian airline.

 Lufthansa and Austrian Airlines have renewed negotiations on a co-operation agreement, Reuter reports from Vienna. Aus-trian Airlines said it met the German carrier on Friday for their first negotiations since the col-

## Brian Pearse hands over Midland reins to HSBC

Mr Brian Pearse, chief executive of Midland Bank is to retire in March and be succeeded by Mr Keith Whitson, in changes to the Midland board that strengthen HSBC Holding's grip on the UK clearing bank it acquired last

At the same time, Sir William Purves, chairman of the HSBC group, is to take over from Sir Peter Walters, whose impending departure as chair-man of Midland was announced earlier this year. man of SmithKline Beecham,

the pharmacenticals group. It had been widely expected within Midland that Mr Pearse, 60, would succeed Sir Peter as the bank's chairman.

pointed at leaving Midland, although he said that he had achieved what he "set out to do" when he joined the group from Barclays Bank in March

"I think there could be an advantage [in Sir William's becoming chairman]," Mr Pearse said. "It will help to knit the two cultures of the bank even closer together." However, he added: "I don't

Although Midland's aftertax profits were wiped out in 1990 and 1991 by losses on loans to UK companies and consumers, its more recent performance has been much improved.

in August it reported pre-tax profits of £385m (\$570m) for the first six months of 1993, against £60m a year earlier.

practice within the group for the chairman of the group to chair subsidiaries - Sir William already chairs, for exam ple, the British Bank of the

Mr Whitson, aged 50, has been deputy chief executive of Midland since 1991 and has worked for HSBC for more than 30 years. He said yesterday that he sew his task as maintaining the progress that had been made since the acquisition, and in continuing the emphasis on customer service. As chief executive of Hongkong Bank's operations in the UK from 1987 to 1989, Mr

Whitson worked closely with senior Midland executives, after HSBC acquired its first stake in the clearing bank in late 1987.

## NCC aims to raise SKr545m

NCC, the Swedish property and construction group, plans to ask shareholders for up to SKr545m (\$64.9m) in new capital following a return to profit for the first nine months of

The company said a stronger capital base would enable it to participate more actively in the restructuring of the construction industry which is under way in Sweden.

NCC is to offer new shares

SKr27.50 a share, a substantial discount to the SKr64 at which the shares were trading last

The issue, which will raise the group's equity-to-assets ratio by two percentage points ported by Nordstjernan, the Swedish property and construction group which with 55 per cent of the capital is NCC's largest shareholder.

NCC had a pre-tax profit of SKr548m for the first nine months, compared with a SKr252m loss in the same 1992

However, before extraordinary items, profit amounted to just SKr73m, compared with a SKr101m deficit last time. The improvament was helped by cost-cutting and reduced losses from associated

It came in spite of the continuing collapse of the Swedish construction market, which pushed down revenues to SKr13.0bn from SKr14.9bn.

NCC expects a full-year pretax profit of between SKr400m and SKr500m, before an expected SKr300m in write-downs on

said of tha group's debt of vesterday has been extended to £1.3bn it was not paying inter-

ing shareholders.

## points to April for refinancing

By Maggie Urry

It could be April next year before Queens Moat Houses can finalise details of a £1.3bn (\$1.9hn) refinancing agree ment with its 65 banks, Mr Stanley Metcalfe, chairman, told shareholders yesterday.

He said discussions should He said discussions should ersuade the banks to extend the standstill agreement which expires at the end of January.
Only after agreement has been reached with the banks the hotel group's debt be put to shareholders.

Mr Metcalfe speit out tha company's position at a packed, and sometimes angry, annual meeting yesterday, followed by an extraordinary meeting. On a show of hands shareholders voted against dopting the annual report. However, on a poll the resolu-tion was carried by 356.7m to

Argument centred on the group's valuations of its hotels. Weatherall Green & Smith had valued the hotels at £1.35bn in May, after a draft valuation had shown a figure of £1.86bn. But Jones Lang Wootton was then appointed to revalue the hotels and came np with a figure of £86im. hich had been incorporated in the 1992 accounts.

Mr John Bairstow, the former chairman, admitted he carried most responsibility for their plan to merge. Earlier the mess the company was in. this year, Credito Romagnolo, He said the new board did not have sufficient property exper-tise and was "shooting itself in the foot" over the valuations.

Mr Meicalie repeatedly told shareholders that the company could only continue trading with the banks' support. He

est on £800m. The group's cashflow was too low to sustain the company without "a significant eduction" in debt and a further "significant" amount becoming non-interest bear-ing. He could give no indication of the size of the debt-forequity swap being negotiated and thus the dilution of exist-

## QMH chief Italian banks close their ranks

Haig Simonian on the background to a spate of regional mergers

A decade ago, one hig regional bank merger a agreement with the city's agreement with the city's savings bank on a share swap. have seemed revolutionary. In the past month, three regional banks have taken over like-sized counterparts, while another pair are merging ami-

cably. Two deals were finalised last week alone. Banca Popolare di Verona, a stockmarket-listed bank based in Verona, clinched control of Banco San Geminiano e San Prospero, e regional counterpart from Modena after a three-week struggle.

Banca d'America e d'Italia, the Italian subsidiary of Germany's Deutsche Bank, took a controlling stake in Banca Popolare di Lecco; a 89-branch regional based just north of

The deal will cost BAI about L810bn (\$479m) after an obligatory public tender offer to buy out minorities. Earlier in the month, Cassa di Risparmio di Parma a

Piacenza, a fast-expanding savings bank, said it was planning to buy control of Credito Commerciale, a Milan-based regional hank and trade finance specialist which has fallen on hard times. Even after handing 40 of Credito Commerciale's branches

Sienna's hig Monte di Paschi, the Parma institution, will be adding 70 branches to its net-In Bologna, one of Italy's main business centres, two big regional banks have advanced

hack to its parent company,

The exchange was seen as the first step in a courtship leading to an eventual marriage. Recently, the two banks have said they intend to hurry the

All the mergers have the blessing of the Bank of Italy, which has in recent years encouraged mergers to create stronger, more competitive financial institutions. Italian banking is still very

fragmented compared with France, Germany or the UK. where the sort of concentration now taking place is largely history. Concerned about the growth in fareign competition expected after the European Union's free internal market, the central bank began in the early 1990s to encourage regional banks to merge. . .

The aim was to form bigger, more efficient and better-capitalised banks, reaping economies of scale offering more ser-vices than one bank alone. Concentration was also stimulated by substantial tax breaks

ompetition also played a part. The elimination in 1990 of tough restrictions on branch expansion meant once tame regionals started opening branches on each others territory. Bigger nationwide banks could also expand in areas, especially in the rich north, they had been The bank of Italy's fears of a

di Lecco Banco San Geminiano

largely unfounded. Only two big transactions had taken-place until last week. In 1986, Deutsche Bank spent \$603m on

Credito Connue

di Bolognia

Three years later, Credit Lyonnais of France bought an interest in Credito Bergamasco, which it now controls. Takeovers from abroad have been limited hy very high asking prices for the sort of welllocated regional banks in mand, and by their scarcity. Although the recession has finshed out additional supply changes in business priorities among many foreigners, now pre-occupied by domestic

dampen their interest.

Worries about Italian political and economic uncertainty have also played a part. Signifi-cantly, neither of the two White Knights" believed to be terested in Banco San Gemimiano were foreigners. Italian banks may also be better placed to understand the

downturns, has tended to

opportunities in their market and judge whether asking prices are reasonable, even if they remain high: The amounts paid for Banco

Popolare di Lecco appear astronomic, in spite of the reces-sion. That is especially true if the deals are seen against next month's privatisation of Credito Italiano, Italy's seventh biggest bank, which has almost 800 branches nationwide, Analysts estimate the 67 per cent stake being floated will raise about L2.000bn.

The continuing attractiveness of regional banks has various causes. The protection offered until 1990 by the Bank of Italy's branch expansion rules allowed the biggest regionals to build up sizeable networks, which were highly concentrated in a specific part of the country.

lerce local loyalties meant tha regional banks often enjoyed near monopolies, even when competition increased after the central bank relaxed its branching rules. And the established presence of the regional banks and strong local roots often provided unparallelled access to both depositors and growing small and medium-sized businesses, on which the regional banks tend to con-

----

(vi domini

7.74

. -2.7 ():7

centrate. Together, that could spell big profits, especially for regional banks in the richest parts of northern Italy, such as Lombardy, Emilia Romagna and the Veneto. Combined with relatively

low staffing costs and good management, many northern regional banks have gained a cachet that this month's price San Geminiano and Banca tags are beginning to show.

## Turkey cancels paper group sale

By John Murray Brown in Istanbul

Plans to sell part of the Turkish state paper company were cancelled yesterday along with a rescheduling of the sale of the state aircraft tyre factory. The developments deal a severe blow to Turkey's priva-

tisation programme. Turkiye Seluloz ve Kagit Fabrikalari (Seka), the stateowned paper and pulp group, confirmed that it had not

received any bids for its Balikesir factory, which the com-pany had put up for sale in

of \$250m. Seka is Turkey's largest producer of newsprint. The company, which is arranging its own privatisation, is now expected to approach the main newspaper groups Sabah and Hurrivet to seek a buyer.

Separately, the tender for the government's 99 per cent stake in Petlas, the tyre manufac-

turer, which was due to close December 14, in order to give September at a minimum price the government agency in charge of state assets sales more time to attract huvers. The agency had set a minimum

price of around \$100m. Petlas was formed in the 1970s in the wake of the US arms embargo on Turkey, following the invasion of Cyprus in 1974. It makes tyres for aircraft and military land

## Varta may pass dividend Air Liquide confident

By Christopher Parkes in Frankfurt

Varta, the German battery manufacturer, may omit its dividend this year, Mr Erbard Schipporeit, chairman, warned yesterday. The company is also considering plant closures hut no decisions have been made. The company, which paid a DM10 dividend last year, hlamed increased competition, industry-wide overcapacity and currency upheavals for a "con-

siderable fall in profits".

Markets had already been

warned of a reduced payout after Varia announced a 75 per cent decline in net earnings to DM5m (\$2.9m) for the first six months of 1993.

Turnover had fallen 8 per cent to DML56bn in the nine months to end-September, Mr Schipporeit sald. The group had reduced its workforce by 6 per cent in the period to less than 14,000 and the cuts would continue next year, he added. Earlier this year Varta announced plans to reduce vehicle starter battery capac-

By John Ridding in Paris

Air Liquida, the French industrial gases group, should similar to the FFr2.2bn (\$972m) recorded in 1992, according to Mr Edouard de Royere, the company's chairman. In a French press interview yesterday, Mr de Royere said he was unable to give any fore-

casts for next year as the company's subsidiaries have not yet set their targets. But he said that steps had been taken to ensure profitability.

Mr de Royere said the group was in a position to expand and-was ready "to seize the opportunities of acquisitions". He added that the group has the financial resources to be aggressive and the experience to take "controlled risks". At the end of last year it had net debts of about FFr4bn and a debt to equity ratio of 20 per cent. The company said that

gearing had been reduced during the current year. Mr de Royere cited China as an area of geographical expan-

## ROCKWOOD REALTY ASSOCIATES

IS PLEASED TO ANNOUNCE ITS EXCLUSIVE RETENTION BY



TO MARKET AND SELL ITS LEASEHOLD INTEREST IN

## 130 JOHN STREET

**NEW YORK, NEW YORK** 

130 John Street is a 504.573 square foot, Class A office building built in 1968, which is located in New York City's Financial District.

> The building is owned by The Prudential subject to a ground lease which expires, including options, in 2062.

INOUIRIES REGARDING THIS UNIQUE INVESTMENT OPPORTUNITY SHOULD BE DIRECTED TO:

> Two West 45th Street New York, New York 10036

(212) 840-7620 FAX (212) 764-4157

ROCKWOOD REALTY ASSOCIATES, INC.

This announcement is under no circumstances to be construed as an offer to sell or as a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

New Essue

November 30, 1993

\$140,000,000



## **Eletson Holdings Inc.**

91/4% First Preferred Ship Mortgage Notes Due 2003

Price 100%

(Plus accrued interest, if any, from the date of original issuance.)

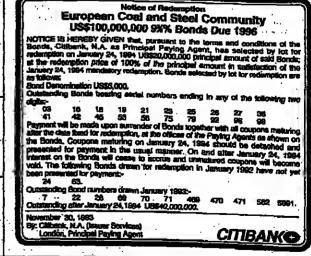
Copies of the Prospectus may be obtained in any State from the dersigned where it may lawfully offer these securities in such State

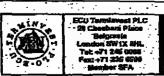
Citicorp Securities, Inc.

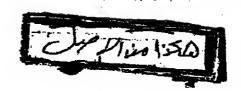
DC QUOTE

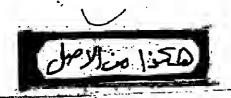
ARTIFICIAL INTELLIGENCE

LOW COST SHARE DEALING SERVICE 081-944 011









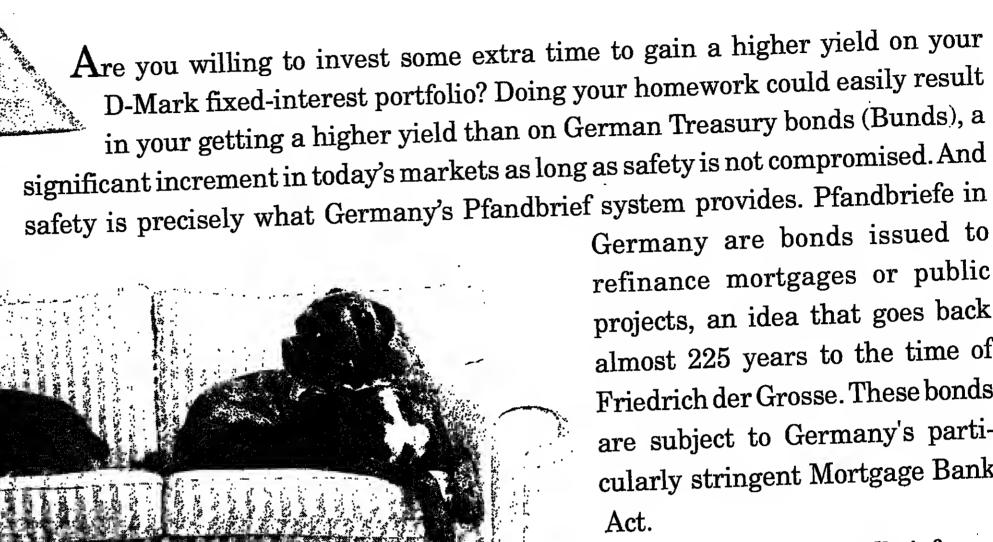
FINANCIAL TIMES TUESDAY NOVEMBER 30 1993

nfident

ĮÜ.

# THE GERMAN PFANDBRIEF

#### GROUND SOLID VALUE FROM THE



Germany are bonds issued to refinance mortgages or public projects, an idea that goes back almost 225 years to the time of Friedrich der Grosse. These bonds are subject to Germany's particularly stringent Mortgage Bank

For example, Pfandbriefe can only be issued by specially authorized banks which are fully liable for each issue. The bonds are

secured by mortgages or by public-sector loans. Pfandbriefe must be backed by separate funds with at least identical yields and maturities. And all Pfandbriefe are monitored by a trustee designated by the state.

Thanks to these and other requirements, no investor has ever failed to receive  $100\,\%$  repayment on a German Pfandbrief held to maturity. Good reasons why Pfandbriefe, at DM 832 billion at year-end 1992, amounted to about 40 % of the entire fixed-interest securities market in Germany. Of this total, the nation's 26 private mortgage banks accounted for over 60 %. More bite in

your D-Mark portfolio is what you get with German Pfandbriefe.

German Pfandbriefe are officially quoted on German stock exchanges. Issuers actively maintain a well-functioning secondary market.

# MAYBE IT'S TIME TO PUT MORE BITE INTO YOUR D-MARK PORTFOLIO.

## GERMANY'S MORTGAGE BANKS

DEPFA-BANK, WIESBADEN BAYERISCHE VEREINSBANK AG, MÜNCHEN HYPO-BANK, MÜNCHEN DEUTSCHE HYPOTHEKENBANK FRANKFURT AG, FRANKFURT RHEINHYP, FRANKFURT DEUTSCHE GENOSSENSCHAFTS-HYPOTHEKENBANK AG, HAMBURG FRANKFURTER HYPOTHEKENBANK AG, FRANKFURT DEUTSCHE CENTRALBODENKREDIT-AG, KÖLN BAYERISCHE HANDELSBANK AG, MÜNCHEN

WESTHYP, DORTMUND BERLIN HYP, BERLIN SÜDDEUTSCHE BODENCREDITBANK AG, MÜNCHEN MÜNCHENER HYPOTHEKENBANK EG, MÜNCHEN HAMBURGHYP, HAMBURG WÜRTTEMBERGER HYPO, STUTTGART NÜRNBERGHYP, NÜRNBERG HYPOTHEKENBANK IN ESSEN AG, ESSEN DEUTSCHE HYPOTHEKENBANK (ACT.- GES.), HANNOVER BRAUNSCHWEIG-HANNOVERSCHE HYPOTHEKENBANK AG, HANNOVER ALIGEMEINE HYPOTHEKEN BANK AG, FRANKFURT RHEINBODEN HYPOTHEKENBANK AG, KÖLN LÜBECKER HYPOTHEKENBANK AG. LÜBECK NORDHYPO BANK, HAMBURG BFG·HYPOTHEKENBANK AG, FRANKFURT WL-BANK, MÜNSTER HYPOTHEKENBANK IN BERLIN AG, BERLIN

**A National Westminster Bank** 

USD 500,000,000 Primary Capital FRINs (Series "C") accordance with the provisions of the Notes, notice is hereby given that for the three month interest Period from November 30, 1993 to February 28, 1994 the Notes will carry an Interest

Den norske Bank

Primary Capital Perpetual

Floating Rate Notes

In accordance with the provisions of the Notes, notice is hereby given that for the interest Period from November 30, 1993 to February 28, 1994 the Notes will carry an Interest Rate of 3.75% p.a. and the Coupon Amount per U.S.\$10,000 will be U.S.\$93.75.

U.S. \$50,000,000

CRÉDIT D'ÉQUIPEMENT

des petites et moyennes entreprises

Undated Subordinated Step-Up Floating Rate Notes

For the Interest Period from November 30, 1993 to May 31, 1994 the rate has been determined at 4.75% per annum. The amount psychle on May 31, 1994 per U.S. \$10,000 principal amount of Notes will be U.S. \$240.14.

By: The Chase Manhattan Bank, N.A. London, Agent Bank

November 30, 1993

CREDIT COMMERCIAL
DE FRANCE
FRF 600.000.000
REVERSE FLOATER
BONDS DUE 1997

For the period November 26,1993 to May 26,1994 the new rate has been ixed et 10,3987081 % P.A

Next payment date; Mey 26,1994 Coupon nr:2 Amount: FRF 519,94 for the

denomination of FRF 10 000 FRF 5 199,35 for the

denomination of FRF 100 000 FRF 51 993,54 for

denomination of FRF 1 000 000

THE PRINCIPAL PAYING

AGENT SOGENAL SOCIETE GENERALE GROUP 15. Av. E. Reuter LUXEMBOURG

er 30.1993, London

## INTERNATIONAL COMPANIES AND FINANCE

## Mexico proves magnet to foreign insurers

Growth and a poor domestic service is attracting US and European investors, writes Damian Fraser

Grupo Mamhos "

Rate of 3.525 % per annum. The interest payable on the relevant interest Payment Date. Febru-S and European invesary 28, 1994, against coupon No.33, will amount to USD 90.63 for Notes of USD 10,000 norminal and USD 908.25 for Notes of tors are manoeuvring swiftly to take stakes in Mexico's fledgling insurance The Agent Bank Kredietbank S.A. Luxembourgeoise

CITIBANCO

O CHASE

Notice to the Holders of

ENTE NAZIONALE PER

L'ENERGIA ELETTRICA

(ENEL)

Unlian Lira 400 Billion

Floating Rate Notes Due 1999

Agent Bank

sector. They are drawn by a market that has been ill-served by domestic companies and is growing rapidly as the country's incomes rise and inflation In the past three years the US's Aetna, Metropolitan Life, New York Life Insurance Com-

pany, and Principal Financial Group, Grupo Santander of Spain, and Commercial Union of the UK, among others, have taken up to the maximum permitted 49 per cent stake in Mexican insurance companies.

In all, some 13 foreign insurers are minority owners of Mexican insurance companies. Asemex, the insurance group recently privatised for \$582m, is looking for a foreign partner, according to Mr Angel Rodriguez, the new company presi-dent. The insurance company and Mr Rodriguez's financial group, Mexival-Banpais, then plan to make a public offering on the New York Stock

Foreign insurers hope to bring to their Mexican counterparts capital, technology, and global distribution. The Mexi-cans, meanwhile, will contribute knowledge of the local market. Foreign companies generally have better distribu-tion systems, financial man-

agement and product development skills than Mexican insurers, says Mr Bill Poortvliet, executive vice-president of Metropolitan Life. But is there sufficient room for all the foreign companies seeking a stake in Mexican companies? While profit margins are high, many Mexican

insurers have high costs, and

may be unprepared for compe-"We expect some consolidation," says Mr Poortvliet, whose company joined last year with Santander to take a 49 per cent stake in Genesis, a new Mexican life insurance company. "Not every company

is going to be a winner."

The North American Free Trade Agreement will intensify competition by fully opening up the sector to US and Cana-dian insurance companies. Under the treaty, US or Canadian companies with at least 10 per cent of shares in an Mexican insurance company can increase their holdings to 100 per cent by 1996. Other companies will have to wait until the year 2000. Mexico's foreign investment law will permit up to 49 per cent investment in Mexican insurers for non-US

and Canadian companies. There are also doubts as to whether foreigners are prepared for doing business in Mexico, and ready to join forces with Mexican partners. average Mexican only spends about \$55 a year on insurance,

Equitativa Protección Mutua Reliance Group Seguros La Republica Commercial Union Seguros Progreso -New York Life

Seguros Tepeyac Zurich International Aseguradora Cuaulitemoc

venture, 30% stake Greenfield investment to follow cur Medico, 30% stake in Equitativa Bought 30% stake in Protection Mutua Build domestic Mexican presence, 44.3 % stake Purchased 49% to write domestic business participate in the Medican life business Santander sold helf of its 49% Holds 49% stake -Holds 30% interest Holds 32.5% stake Holds 20% states

Participate in fast growing Mexican market, joint

Commercial Union, the UK insurer, this year wrote off its 44.3 per cent stake in Seguros La Republica after several executives defrauded the company, and the UK insurer refused to inject more capital.

CU complained at the time that regulation in Mexico's insurance industry was insuffi-ciently advanced, and warned

Foreign Partner

Aetna Lite Insurance

partners with caution, and conduct extensive due diligence. The foreigners nevertheless keep coming, attracted by an under-developed market. The

other companies to pick their

while insurance premiums account for just 1.5 per cent of Mexico's GDP, against 3 per cent in Chile, and 8.8 per cent in the US.

INSURERS FORGING NEXICAN LINKS

Investors tend to dismiss cultural explanations - such as Mexicans' tolerance of risk and a somewhat fatalist attitude to death - for such low insurance penetration, Instead, they blame Mexico's economic crisis in the 1980s.

Mexico's wages fell 40 per cent between 1982 and 1990, leaving little money for insurance policies. Inflation was high throughout the decade, playing havoc with calculations of the future value of life insurance coverage, and reducing the incentive to save through such schemes.

Insurance companies are now convinced the conditions are present for a sharp Mexico's inflation is down to single digits; incomes have been steadily, if unspectacularly, rising, and the savings

rate is picking up.
This should bode particularly well for life insurance, which comprises just one-third of the total Mexican insurance market, a much lower proportion than that in other coun-

tries: only 2 per cent of Mexicans own a life insurance policy. However, the sector is now growing fast, posting an average 28 per cent a year gain in dollar terms since 1987.

The government's new statesponsored individual pension scheme should increase savings, and further boost the life industry. Mr Palden Namgyal, vice president of JP Morgan, which has advised on several insurance transactions in Mexico, reckons that life insurance companies will play an important part in managing savings generated by the

The extension of credit - for the first time in a decade - is having a beneficial impact, by increasing the number of firsttime car and house owners, and generating demand for car and property insurance. Banks in Mexico generally demand insurance policies as a condi-tion for lending money. The question hanging over

the new insurance companies is whether they and their part. ners are the best equiped to meet the explosive demand all participants predict.

Mexico's growing financial and industrial integration with the US is likely to ensure that profit margins in the industry eventually fall to levels in the US, and that, over the long term, only the most efficient

## Noranda reduces forestry stake

By Bernard Simon in Toronto

Noranda, the resources group controlled by Toronto's Broafman family, is further reducing its exposure to the forest products sector by cutting its stake in Noranda Forest, its pulp and paper subsidiary.

Noranda is to sell 12m of its Noranda Forest shares to a group of underwriters, which 29, 1993 to May 30, 1994 will resell them to the public at a price of C\$12 each, or a will be payable starting May 30, 1994 at the rate of 8,35% total of C\$144m (US\$110.8m). TTL 211.069,- per note of TTL 5.000.000 Nominal ITL 2.110.694,- per note of ITL 50.000.000 Nominal The underwriting group is led by Gordon Capital of Toronto.

The deal will reduce Noranda's equity stake in the forestry company from 83 per SANPAOLO-LARIANO BANK S.A. cent to 74 per cent.

The proceeds are most likely to be used to finance an expansion of Noranda's mining and metals business. "The opportunities at this point do seem to

be on the metals side." Nor- magnesium production. anda said yesterday.

Mr Jonathan Challis, analyst at ScotiaMcLeod, said yesterday the funds would probably be earmarked for Falconbridge, the nickel producer 50 per centowned by Noranda, Falcon-bridge is expected to exercise a pre-emptive right to increase its one-third interest in the Collabuasi copper project in Chile.

Billiton, the European met als group, has indicated its willingness to sell its one-third stake in Collabuast, The remaining one third is held by Minorco, the South Africancontrolled mining group.

Noranda said funds were also required for the Louvicourt copper mine, currently under construction in Quebec. The company is also considering an entry into Noranda and its subsidiaries

have spun off several assets in an effort to bolster cash-flow without taking on new debt. Sagging metal and forest products prices have created a shortfall in recent years between cash from operations and financing requirements for capital projects and dividends. Earlier this year, Noranda Forest sold its controlling interest in MacMillan Bloedel the west coast forest products

group. It has also sold its stake in a British Columbia paper However, Mr Challis said he expected a marked improvement in Noranda's cash-flows over the next year, thanks to the recent strength of natural gas prices and brighter prospects in some other commodity

#### India begins bank sale with public offering

THE State Bank of India. the country's largest bank is to launch a Rs22:4bn (\$713m) equity and bond flotation on December 15as a first step to its privatisa-tion, writes R.C. Murthy in

Mr D. Basu, chairman, says a Rs12.4bn share issue will reduce the state's stake to around 68.8 per cent from 98.2 per cent. The bank will also offer floating-rate bonds worth Rs10bu.

The shares will be offered at Rsloo, against the market price of Rs240, and foreign nstitutions will be given an opportunity to buy into the bank.

The SBI is the first among-26 state owned banks to offer equity to the public.

First Bank System, Inc.

Subordinated floating

Notice is hereby given that for

the interest period 30 November 1993 to 28 February

1994 the notes will carry an

interest rate of 5,25% per

annum and that the interes payable on the releva

interest payment date 28
February 1994 will amount
US\$131.25 per US\$10,000
note and US\$3,281.25 per

Agent: Morgan Guaranty Trust Company

rate notes due 2010

US\$200,000,000

## Magna expands auto parts side in Europe

Canada's Magna International is expanding its European automotive parts interests with an agreement to buy a 74 per cent stake in Zipperle, a German-based maker of mirrors, from Porsche Austria. The Zipperle acquisition is part of a strategy by Magna to

forge closer links with European carmakers, partly with an eye to supplying new North American assembly plants being built by BMW and Mercedes Benz.

Magna, which declined to provide details of the deal, said it would work with Porsche to expand Zipperle's business Zipperle has annual sales of about C\$150m (US\$115.4m).

already has interests in several European parts factories. It recently bought a 12.5 per cent stake in Kolbenschmidt of Germany, as well as a controlling stake in a Kolbenschmidt unit which makes airbags and

general conf

100

13 700

, (Tab-1)

بقائل أأمر

steering wheels. The company is also keen to expand exchanges of knowhow between its North American and European operations.

dian Airlines have called in Mr Stanley Hartt, a lawyer, to mediate in their dispute over ownership of the Gemini com-

from the system through the The Canadian company courts.

## U.S. \$50,000,000



**AUSTRIA** Raiffeisen Zentralbank

Österreich Aktiengesellschaft Floating Rate Subordinated Notes Due 1996

Interest Rate Interest Period

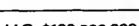
54% per annum 30th November 1993 31st May 1994

Interest Amount per U.S. \$5,000 Note due 31st May 1994

U.S. \$132.71



CS First Boston





## Allied Irish Banks plc

**Undated Floating Rate Notes** Subordinated as to payment of principal and interest

Interest Rate Interest Period

51/4% per annum 29th November 1993 31st May 1994

Interest Amount per U.S. \$10,000 Note due 31st May 1994

U.S. \$266.88 CS First Boston



YOKOHAMA ASIA LIMITED

(Incorporated in Hong Kong)
U.S.\$100,000,000
GUARANTEED FLOATING RATE NOTES DUE 1997



ditionally and irrevocably guarant THE BANK OF YOKOHAMA, LTD.

Incorporated in Japan)
Notice is hereby given that the Rate of interest for the initial interest period has been fixed at 3.75% per annum and that the interest payable on the retivant interest Payment Date February 28, 1994 against Coupon No. 34 in respect of US\$10,000 nominal of the Notes will be US\$93.75 and in respect of US\$250,000 nominal of the notes will be US\$2,343.75.

November 30, 1993, London By: Citibank, N.A. Bissuor Sorvices), Agent Bank CTTBANCO

## U.S. \$100,000,000

## First Bank System, Inc.

Floating Rate Subordinated Capital Notes Due 1997

Interest Period

Interest Period

54% per annum

30th November 1993

28th February 1994 Interest Amount per U.S. \$50,000 Note due

U.S. \$656.25 28th February 1994

CS FIRST BOSTON

U.S. \$100,000,000

Robert Fleming Netherlands B.V.

Primary Capital Undated

Guaranteed Floating Rate Notes

guaranteed by

**Robert Fleming Holdings Limited** 

CS First Boston

U.S. \$300,000,000

Woodside Financial Services Ltd.

Guaranteed Floating Rate Notes due February 1997

Unconditionally Guaranteed by

The Industrial Bank of Japan, Ltd.

In accordance with the Terms and Conditions of the Notes, notice is hereby given, that for the Interest Period from November 30, 1993 to February 28, 1994 the Notes will carry an Interest Rate of 5%% per annum. The amount payable on February 28, 1994 will be U.S. \$3,281.25 and U.S. \$131.25 respectively for Notes in denominations of U.S. \$250,000 and U.S. \$10,000.

By: The Chase Menhattan Bank, N.A. London, Agent Bank

November 30, 1993

(Incorporated in the State of Victoria

per U.S. \$10,000 Note U.S. \$ 202.22 per U.S. \$50,000 Note U.S. \$1,011.10

4% per annum

31st May 1994

30th November 1993





European investment

Yen 35,000,000,000 Floating rate notes due

Notice is hereby given that the notes will bear interest at 1.99063% per annum from 1.59003% per annun from 30 November 1993 to 31 May 1994. Interest payable on 31 May 1994 will amount to Yen 503,187 per Yen 50,000,000

Agent Morgan Guaranty Trust Company

**JPMorgan** 

TSB Hill Samuel Bank Holding Company pic (Formerly Hill Samuel Group pic) US\$75,000,000

Perpetual floating rate For the period from 30 November 1993 to 31 May 1994 the notes will carry a rate of interest of 5.25% per armum. Interest payable on 31 May 1994 will amount to US\$265.42 per US\$10,000 note

Agent: Morgan Guaranty Trust Company **JPMorgan** 

Wells Fargo & Company US\$200.000.000 Floating rate subordinated

**JPMorgan** 

notes due 2000

The notes will bear interest at 5.25% per annum for the interest period 30 November 1993 to 31 December 1993. Interest payable on 31
December 1893 will amount to
US\$45.21 per US\$10,000 and
US\$226.05 per US\$50,000 note.

Agent: Morgan Guaranty Trust Company **JPMorgan** 



**BANK OF BOSTON** CORPORATION Floating Rate

Subordinated Notes Due 1998 ssued 26th August 1986 3.55% per annum interest Rate

Interest Amount per U.S. \$50,000 Note due

28th February 1994 \*

CS FIRST BOSTON

U.S. \$443.75

30th November 1993

Forex or Futures prices from £49 per month For 30 second apasses on your Windows PC Screen or Pocket Financial Monitor call 0494 444415 QuoteLink from SPRINTEL

Several of its senior managers have European roots.

• Air Canada and rival Cana-

puter reservations system. Air Canada basi been blocking Canadian Air's departure

#### MERCURY SELECTED TRUST (SICAV) Registered Office: 14, rue Léou Thyes, L-2636 Luxembourg

NOTICE TO SHAREHOLDERS The adjourned second Extraordinary General Meeting of Shareholders of Mercury Selected Trust ("the Company") was held on 19th November, 1993 and the Resolution to adopt new Articles of Association was passed. The new Articles of Association become effective on 30th November, 1993.

The following new Funds have now been added to the existing range of Mercury Selected Trust Funds:wiss Franc Global Bond Fund Sterling Reserve Fund Swiss Franc Reserve Fund

Emerging Markets Fund DM Reserve Fund From 30th November, 1993 Bearer Shares will only be issued for the Belgian Franc Global Bond Fund. Listing on the Luxembourg Stock Exchange will continue for those Shares and for all previously Issued Bearer Shares.

Copies of the Company's new Prospectus (which includes further details on the new Funds) are available from the following >-ADMINISTRATOR U.K. DISTRIBUTOR

Mercury Investment Services Ltd., 33 King William Street, London EC4R 9AS

hone: (071) 280 2821

S.G. Warburg Asset Mar Luxembourg S.A., 14, rue Léon Thyes, L-2636 Luxembourg

30th November, 1993

The Board of Direct

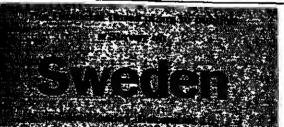
#### Residential Property Securities No. 1 PLC

£200,000,000

Mortgage Backed Floating Rate Notes 2018 The rate of interest for the three month period 26th November, 1993 to 28th February, 1994 has been fixed at 5.725 per cent, per annum. Compon No. 23 will therefore be payable on 28th February, 1994 at £1,474.38 per coupon.

erest charging balances of Mortgages redeed previous Interest Period: £4,397,295.59 Aggregate interest charging balances of Mortgages red 26th November, 1993: £220,232,174.30 The aggregate principal amount of Notes outstanding as at 26th November, 1993; £90,700,000

S.G. Warburg & Co. Ltd. Agent Bank 



olved in strategic decisions about their organic rtional operations read the FT than any other

ean business publication. (Name 1996 1993) If you wish to communicate your message to this

> BRRADLEY JOHNSON In Stackbolon Tel: 45 8 791, 2295

ential audience by advertising in the Survey, contact: KERSTY SAUNDERS in London -Tel: 071 873 4823

FT Surveys



urers

\pands at

2.12 1 27

1.00

1000

1 March

47.43 g);

- (s

- norty

 $_{1}=0.003$ 

## INTL. COMPANIES & FINANCE

Deal values Donaldson Lufkin & Jenrette at \$1.3bn Equitable to inject \$800m into life insurance arm

By Richard Waters in New York

Equitable, the US insurer, plans to inject \$300m into its US life insurance company before the end of the year in a deal which values its broking arm, Donaldson Lufkin & Jeurette (DLJ), at \$1.8bn.

The transaction is part of a

The transaction is part of a move by Equitable to boost the capital of Equitable Life Assurance Society of the US before the yearend, when risk-based capital rules will come into force for the first time for all

US insurers.
Equitable said it will buy 61
per cent of DLJ from its life
insurance subsidiary with the
proceeds from a new \$364m debt issue launched yesterday, together with around \$500m of cash and other liquid

The \$1.3bn valuation of DLJ implied by the deal, which Equitable said had been arrived at through an indepen-dent valuation, is slightly ahead of most market esti- in 1964.

ker's worth at around \$1bn. The transaction will allow the life assurance company to revalue its remain-ing 39 per cent holding, boosting its capital

The deal will remove a large part of the DLJ equity holding from the life company's balance sheet, which would otherwise have attracted a high cap-ital charge under the new regulatory rules, according to Ms Shelley Harris, an analyst at Standard & Poor's, the US rating

agency.
She added, though, that the DLJ valuation was already factored into the company's A-plus rating for claims-paying ability, and the deal made little difference to the life company's efforts to regain a double-A rat-

Equitable had said in May it planned to put a value on DLJ, the institutional broking firm which it bought for \$430m cash

sidiary in this way, rather than partially float it, does not alter Equitable's intention to take the broker public, though the urgency to do so is

The brokers' founders include Mr Richard Jenrette, now chairman of Equitable, and former New York Stock Exchange chairman Mr Wil-

liam Donaldson. The group's US life insurance company, which has been suffering from the effects of 1980s investments in real estate and junk bonds, had capital of \$2.46bn at the end of September under statutory

accounting rules.

Equitable would not say to what extent the subsidiary's capital base would be improved by the deal. The \$304m of debt issue yes-terday will be loaned to a spe-cial trust, which will use the money to buy preferred stock in Equitable convertible into ordinary shares after July 22

## Premium income falls at leading Japanese insurers

By Emiko Terazono in Tokyo

leading life insurance compa-nies declined during the six months ended September, the first half-year decline ever recorded by the industry. Combined premiums fell 15 per cent to ¥10,647.3bn.

(\$97.9bn). The life companies, however, managed to post higher unrealised profits on stock holdings for the period. These rose 8.1 per cent.

The value on stock holdings at the eight life companies rose by 52.3 per cent compared with figures at the end of March, to Y12.800hn.

Returns on asset investment rose 7.1 per cent due to sales of securities worth Y280.8bn. Life

companies increased their disposals of shares in order to Premium income at Japan's cover for weak investment returns following the decline in interest rates.

The fall in Japanese share prices has hit the life industry hard, although unrealised prof-its on share holdings have acted as a buffer against losses on high-risk investments.

However, some of the larger companies yesterday said they would begin to increase securities investments during the current six months, Now was a good time to buy, they said. Nippon Life and Sumitomo Life said they would be committing more funds to the Tokyo stock

Although combined bad loans were 1 per cent lower at

Y400bn, the worsening economy increased bad loans at some life companies. The industry is likely to raise premiums next April for the second consecutive year, while cutting dividends on new policles for the fourth year in a

Nippon Life, the industry leader, saw a 7.8 per cent rise in total assets to Y33,259.8bn. Policy payments rose 7.4 per cent to Y1,415.3bn while latent profits on stocks rose 88 per cent from the previous year to Y4,489.9hn

Dai-Ichi Life more than doubled its unrealised profits on stocks to Y2,345.1bn while Sumitomo Life increased its latent profits by 5.2 times to

## Aerolíneas needs \$200m to avoid collapse, says Iberia

In Buenos Aires

AEROLINEAS Argentinas, the troubled carrier operated by Spain's Iberia, will be allowed to collapse unless the Argentine government injects about \$200m into the semi-privatised airline, a senior Iberia executive has warned. Juan Saez, Iberia executive

vice president, said in an interview at the weekend that with. out fresh funds, "the company will be dissolved. As simple as that. It is not a political problem, it is a reality. Our pockets are empty". His remarks substantially

raise the stakes in negotiations with the government over the loss-making company's future. Theria maintains that the airline needs fresh funds to dated investment programme the money has run out". and rebuild its balance sheet. No government official was
The government, which available for comment. How-

holds 43 per cent of Aerolineas, has refused to contribute to a planned \$450m capital injection for Aerolineas. Iberia owns 30 per cent of the airline. Mr Seez warned that without

this support, Aerolineas would run out of cash in "two or three months" at the end of the busy holiday season. "When the low season comes

and it needs money, there is no bank that will lend to it. And then if it cannot pay for fuel, wages or landing rights in New York, then it will collapse." Mr Saez recognised that if this were to happen, it "will have cost us \$10n". He said Iberia has "been injecting some \$20m a month

finance a government-man- for current spending and today

ever, the government is under-stood to be looking for Argentime investors to take its place. Aerolineas has lost over \$300m since an Iberia-led consortium paid \$1.87bn in a cash and debt for equity swap for 85

per cent of the sirline in 1990. But last year the government had to take back 28 per cent of the company to avoid its col-lapse, following the withdrawal of Iberia's insolvent Argentine

partners. The government now owns 33 per cent of the airline plus a further 10 per cent beld in trust for employees. The remainder is held by Spanish and Argentine banks and

## News Corp forces the super-share issue at ASX

Super shares became a hotbed of controversy after Mr Rupert Murdoch announced in September that his media group News Corpora-tion would seek to introduce

But differential voting rights do not feature in Australia. and the move requires a change to Australian Stock Exchange (ASX) listing rules. Critics fear such schemes would be used to entrench management positions.

The potential problem for the ASX is that News Corpora-tion - the second largest company, in terms of share turnover, on the exchange - could move its listing overseas if its wishes are not accommodated. The most frequently mooted

The most frequently mooted alternative is the New York Stock Exchange (NYSE).

The strength of this threat has also been debated. Yesterday, the Australian investment Managers Group (AIMG) said it understood, from informal that NYSE when would talks, that NYSE rules would not allow News Corporation to

not allow News Corporation to move and then introduce super-voting shares, if ASX rules continued to forbid this. However, "if News Corp were to put its proposal in place, be delisted in Australia, and then go to the NYSE with the arrangements already in place when seeking domestic US listing the NYSE seems libely in ing, the NYSE seems likely to list on the basis that the

Nikki Tait looks at Rupert Murdoch's plan for a new class of stock with stronger rights

arrangement is already in

The AIMG comments came as the deadline for the submission of views to the ASX on the super-share issue was reached. But the exchange said it would accept some late submissions, including those from the London Stock Exchange and the Business Council of Australia. The BCA has asked for a December 9 deadline.

But the late arrival of some comments calls further into question the timetable for a decision.Already, a parliamen-tary committee and the Attorney-General have suggested that more time should be allowed to debate all the impli-cations of differential voting rights. The Australian Securirights. The Australan Securities Commission will also wants to review the implications of any change for company law – especially in terms of takeover rules.

According to the ASX, how-

ever. News Corporation is seeking a speedy decision. "We have one company with tight deadlines. I understand that News Corp has commercial opportunities open to it," said Mr Ray Shoer, the national

director, companies. He said December 21 was the earliest possible date for e decision, but the timing should become clearer after the meeting between the chair-man of the ASX and the Attorney-General later this week. Ironically, News Corporation

was among those parties which failed to deliver a submission by yesterday's deadline.
"I think the Thanksgiving holiday made them late we're expecting it et any min-ute," said the ASK. No one was available to comment at News

Corporation.

The Australian Mutual Provident, the country's largest life company and owner of the Pearl Assurance in the UK, also expressed its support for the AIMG's stance - the first time it has spoken out separately on the issu There is no benefit to share-There is no benefit in share-holders in departing from the principle of one share, one vote. The reputation of the Australian market has improved significantly and it is important that our reputation and integrity by maintained

and integrity be maintained and fostered," it said.

BANQUE NATIONALE
DE PARIS
ECII 180, 909, 900
Finaling Rate Males due 1990
Notice in heraby given that the rate of interest for the period from Nevember 300t, 1993 to February 28th, 1994 has been fund at 6.75 per cent per antum. The coupon amount due for this period is ECII 188.75 per ECII 10,000 denomination and is psystem on the Interest psyment data February 28th, 1994.

The Issai Apart
Banque Nationarie de Paris
(Litteretrourg) S.A.

(Luxembourg) S.A.

ALLIANCE - LEICESTER £200,000,000 Floating Rate Notes due 2000 runy, 1994, the Notes will carry a rate of interest of 5.525% per arount with interest amounts of £139,26 per £10,000 and £1,392,60 per £100,000 Augus passible on £100,000 Note, payable on 25th February, 1994, Listed on the Laurahama Stock Erchange. Benkers Trust Company, London Apret Sent

USWEST

22,000,000 Shares

US WEST, Inc.

Common Stock (without par value)

6,000,000 Shares

Goldman Sachs International Limited **Lehman Brothers** 

> Merrill Lynch International Limited Morgan Stanley International

> > Salomon Brothers International Limited

**BNP Capital Markets Limited** 

**Swiss Bank Corporation** 

Deutsche Bank

ABN AMRO Bank N.V.

S.G.Warburg Securities Barclays de Zoete Wedd Limited

Commerzbank Aktiengesellschaft

Den Danske Bank

Paribas Capital Markets

Yamaichi International (Europe) Limited

16,000,000 Shares

This portion of the offering was offered in the United States by the undersigned

Goldman, Sachs & Co. **Lehman Brothers** 

Merrill Lynch & Co.

Morgan Stanley & Co. Salomon Brothers Inc

Bear, Steams & Co. Inc.

**CS First Boston** 

Alex. Brown & Sons

Dillon, Read & Co. Inc.

Kemper Securities, Inc.

Donaldson, Lufkin & Jenrette Kidder, Peabody & Co. A.G. Edwards & Sons, Inc. Lazard Frères & Co.

Montgomery Securities PaineWebber Incorporated J.P. Morgan Securities Inc. Oppenheimer & Co., Inc.

Prudential Securities Incorporated

Smith Barney Shearson Inc.

S.G.Warburg & Co. Inc.

Wertheim Schroder & Co.

November 1993

Telecom

#### TELECOM CORPORATION OF NEW ZEALAND LIMITED **EURO-NZ\$ NOTES ISSUED BY**

TCNZ FINANCE LIMITED (leed menaged by Hambros Bank Limited)

This Hosice does not constitute an offer of securities of Telecom Corporation of New Zealand Limited, TCNZ Finance Limited or any other pareon, but does regular action on the part of the holders of the Notes referred to below.

NOTICE OF AN ADJOURNED MEETING of the holders of the outstanding NZ\$75,000,000 91/sper cent Notes Due 3 April 2000, NZ\$75,000,000 91/s per cent Notes Due 1 July 2002. NZ\$75,000,000 61/s per cent Notes Due 29 September 2000 and NZ\$100,000,000 71/s per cent Notes Due 14 July 2003 of TCNZ Finance Limited . Guaranteed by Telecom Corporation of New Zealand Limited

and the other Guarantors.

NOTICE IS HEREBY given by TCRZ Finance Limited, Telecom Networks House, 89 Jervois Gasey, Wallington, New Zeeland (the "Besser") that a Meeting of the holders ("Noteholders") of the above Robes (the "Notes") constituted and lessed under and pursuant to the trust deed dated 3 April 1992 between the lesses, Telecom Corporation of New Zeeland United ("Telecom"), the other Guarantons and The Law Debetture Trust Corporation p.Lc. (the "Trustoe") as Trustee for the Noteholders, and/or verious trust deeds supplemental thereto (together the "Trust Deed"), convended by the lesses, will be held at Hambros Bank Limited, 41 Tower Hill, London EC3N 4HA on 14 December 1953 at 10.00 a.m. (London time) for the purpose of considering and, if thought fit, peesing the Resolution hallow hell. If peesed, confirm the Noteholders' consent to a catalin reduction in the ordinary share applied of Telecom and authorise and direct the Trustees to take certain actions in that regard which was the subject of a Notice of Meeting dated 5 November 1953 published in this newspaper on that date which give notice of a Notice of Meeting dated 5 November 1953, which Resolution will be proposed as an Extraordinary Resolution in accordance with the provisions of the Trust Deed. A such Meeting on 28 November 1953 a quorum was not present and it stood edjourned to the time and place resentance above, so designated by the Chairman of that Meeting. Unless otherwise specified, defined terms used in this Notice have the meanings given to them in the Trust Deed.

VOTING AND GLOBEIM VOTING AND QUORUM

Any voting certificate(s) issued, any voting instruction(s) given and any appointment(s) of a proxy made pursuent thereto for the Maeting of Noteholders comment for 28 November 1983 will be valid for the adjourned Meeting unless, in the case of voting certificates, surrendered before, or, in the case of voting instructions, profess or amended not less than 48 hours before, the time for which the adjourned Meeting is convened.

Meeting is converted.

Any holder of a five who, for the purpose of obtaining a voting instruction form or voting certificate, deposited his or her Notes with any Paying Agent or to the satisfaction of such Paying Agent gave instructions to Codel S.A. or Morgan Guaranty Trust Company of New York, Brussels office as operator of the Suroclass System or snotter bank or depository approved by the Trustese for his or her Notes to be held to the order of or under the control of such Paying Agent, later than 48 hours before the time appointed for holding the first Meeting and who consequently was not issued with a voting instruction form or under cartificate will, provided such Note has not been relieved, be leased with a voting learnation form or, as the case may be, voting scrifficate to use in connection with the adjourned Meeting. The quarter required at the adjourned Meeting will be one or more parades present in person holding Notes or voting cutificates or being proxies and holding or representing whetever the principal amount of the Notes so baid or represented.

3. Persgraphs 3, 5 and 6 of the Section hasded "Yoting and Quorum" set out in the Notice of Meeting published on 5 November 1993 in retriion to the original Meeting on 29 November 1993 apply equally to the original Meeting.

PRINCIPAL PAYING AGENT Hambros Bank Limited 41 Tower Hill, London EC3N 4HA

PAYING AGENTS

TCNZ FINANCE LIMITED (lead menaged by Fey, Richwhite (U.K.) Limited)

This Notice does not constitute an offer of securities of Telecom Corporation of New Zesland Limited, TCNZ Finance Limited or any other person, but does require action on the part of the holders of the Notes

NOTICE OF AN ADJOURNED MEETING of the holders of the outstanding NZ\$75,000,000 10 per cent Notes Due 10 July 1998 of TCNZ Finance Limited Guaranteed by Telecom Corporation of New Zealand Limited and the other Guaranters.

NOTICE IS HEREBY given by TCMZ Finance Limited, Telecom Networks House, 86 Jervola Quey, Wellington, New Zealand the "lesses" that a Meeting of the boldes ("Noteholders") of the above Notes (the "Notes) constituted and lessed under and pursuant to the trust dead dated 20 September 1935 between Telecom Corporation of New Zealand (Overseas Finance) Limited he original issuer), Telecom Corporation of New Zealand (Overseas Finance) Limited he original issuer), Telecom Corporation of New Zealand (Inhibed ("Tastee") as Trustee for the Noteholders, and/or various trust deeds supplemental thereto including a supplemental trust deed dated 20 March 1933 whereby (finer sfig) the taster was beautized as principal debtor in relation to the Notes in place of the original issuer (sepather the "Trust Deed"), convened by the issuer, will be held at Hambros Bark Limited, 41 Tower Hill, London ECSN 4145 on 14 December 1933 at 18,33 am. (London time) or, if later, on conducton of the meeding of the holders of the other notes of the Issuer to be held at 10.00 am. on such day, for the purpose of considering and, if thought fit, passeling the Resolution (which will, if passed confirm the Noteholder's consent to a cartain relation in the ordinary share capital of Telecom and authorise and direct the Trustee to take certain actions in that regardl which was the subject of a Note of Masting dated 5 Noterother 1933 published in this resuppoper on that date which gave notice of e Meeting to be held on 29 November 1983, which Resolution will be proposed at an Eutracerdinary Resolution in accordance with the provisions of the Trust Deed. At such Masting on the Notes of Masting on the provisions of the Trust Deed. At the Masting on the Notes of Masting on the manifoles of the Masting of the YOTING AND QUORUM

Any voting certificate(s) issued, any voting instruction(s) given and any appointments(s) of a proxy made pursuant thereto for the Meeting of Nipscholders convened for 28 November (193 will be valid for the adjourned Meeting unless, in the case of voting certificates, extranded before, (19 in the case of voting instructions, revoked or emended not less than 48 hours before, the time for which the adjourned Meeting

Any holder of a Note who, for the purpose of obtaining a voting instruction form or voting certificate, deposited his or her Notes with any Paying Agent or tro the satisfaction of such Paying Agent) gave instructions to Cedel S.A. or Morgan Guaranty Trust Company of New York, Brussets office as operator of the Eurodees System or another bank or depository approved by the Trustee for his not he holds to the order of or under the control of such Paying Agent, letter than 48 hours before the time appointed for holding the first Meeting and who consequently was not issued with a votting instruction form or voting certificate will, provided such Note he not been refereed, be issued with a votting instruction form or, so the case may be, voting certificate for use in connection with the adjourned Masting. The quarum required at the adjourned Meeting will be two or more persons present in person hold.
 Note or voting certificate or help provies and holding or representing whatever the principal amount

PRINCIPAL PAYING AGENT Benkers Trust Company 1 Appoid Street, Broadgate London EC2A 2HE

P O Box 807, 14 Boxlevard F.D. Roosevalt L-2450 Luxembourg

#### INTERNATIONAL COMPANIES AND FINANCE

## New head of finance appointed at Qantas

By Nikki Tait in Sydney

Qantas, the government-controlled Australian airline in which British Airways holds a minority stake, yesterday announced that Mr Gary Toomey had been appointed chief financial officer with effect from December 1.

He will also be appointed a director, filling one of two vacant positions on the board, where British Airways holds three seats.

Mr Toomey's appointment follows the departure of Mr Graham Jones, former finance director, who resigned in September after only 11 months with Qantas.

According to industry sources, Mr Jones "felt he could not make the required commitment to Qantas to stay on for at a further three to five years, encompassing the float and consequent bedding-down

The government plans to sell its remaining holding in Qantas, although this step has now been pushed back to 1995.

Mr Toomey's appointment is the latest in a series of senior management changes at Qantas. It means that all three top executive positions are now held by people previously connected with Australian Airlines, the large domestic car-rier which merged with Qantas

last year. Mr Toomey was chief financial executive of Australian from 1987 to 1992, when he moved to become chief financial officer of Arnotts, the food group. Aged 38, be is an accountant by training, having worked in the 1970s for Peat Marwick Mitchell and Parkhill, Lithgow and Gibson.

#### **Indocement falls** to Rp231.9bn

Indocement, fndonesia's dominant cement producer and largest listed company, yesterday reported net profits of Rp231.91bn (\$110m) for the nine months to end-September, compared with Rp253.36bn a year ago, writes Onr Financial

CITICORPO

U.S.\$350,000,000

Nutice is hereby given that the Rote of Interest has been fixed at 5% in respect of the Original Notes and 5.0875% in respect of the Enhancement Notes, and that the interest populate on the retevant Interest Poyment Date December 31, 1993 against Coupon No. 97 in respect of US\$10,000 naminal of the Notes will be US\$43.06 in respect of the Original Notes and US\$43.81 in respect of the Enhancement Notes.

U.S.\$500,000,000

Subardinated Floating Rate Notes Due October 25, 2005
Natice is hereby given that the Rate of Interest has been fixed at 5% and that the interest payable on the relevant Interest Payment Date December 31, 1993 against Coupon No. 98 in respect of US\$10,000 nominal of the Notes will be US\$43.06.

U.S.\$500,000,000

Subordinated Floeting Rate Notes Due January 30, 1998 Notice is hereby given that the Rate of Interest has been fixed at 5% and that the interest payable on the relevant interest Paymant Date December 31, 1993 against Coupan No. 95 in respect of US\$10,000 naminal of the Notes will be US\$43.06.

U.S.\$350,000,000

Subordinated Floating Hate Notes Dae August 14, 2011
Notice is hereby given that the Rote of Interest has been fixed at 3.425% and that the interest payable on the relevant Interest Payment Date February 28, 1994 against Coupon No. 30 in respect of US\$10,000 nominal of the Notes will be US\$90.63, and in respect of US\$250,000 nominal of the Notes will be US\$2,265.63.

U.S.\$500,000,000

Subordinated Floating Rate Notes Due May 29, 1998
Notice is hereby given that the Rate of Interest has been fixed at 3,625% and that the interest poyoble on the relevant Interest Poyment Date February 28, 1994 opainst Coupon No. 31 in respect of US\$10,000 naminal of the Notes will be US\$90.63, and in respect of US\$250,000 naminal of the Notes will be US\$2,265.63.

November 30, 1993 By: Gtibank, N.A. (Issuer Services), Agent Bank CITIBANCO

## Slow progress towards recovery

Nikki Tait assesses a mixed series of results from Australia's banks

T t has been a mixed results sesson for the Australian banking sector. Red ink has been conspicuous by its absence, a sharp and welcome contrast to the situation a year ago. Interest spreads have generally improved and the benefits of cost-cutting are starting

But the earnings reports bave failed to answer questions about the pace at which asset quality is improving, especially on the property front, or about the lacklustre state of the business credit market

Among the three big banks with September year-ends, National Australia Bank (NAB) and Australia and New Zea-land Banking Corporation (ANZ) both did better than many industry analysts had NAB's results were espe-

cially glowing, with profits bounding over the A\$1bn (US\$663m) barrier. This puts the Melbourne-based institu-tion in a select class of Australlan companies; in the past, only Broken Hill Proprietary, the steel and resource group, has qualified as a billion-dollar

Conversely, Westpac disappointed. Restructuring costs featured far more prominently than at ANZ or NAB, and led to a A\$325.9m charge for abnormal items. After taking account of that, the bank was left with a slender net profit of

The nation's smaller institutions, meanwhile, turned in creditable performances for the most part - or at least produced few unpleasant

On the plus side, all three blg banks could boast an improvement in asset quality and a decline in bad debt provisions, although in some cases the picture is still far from

At NAB, gross non-accrual loans fell from A\$3.36bn to A\$3.15bn, while the charge to profit for doubtful debts was cut by a third to A\$604.2m. At

property market would be "particularly important". Here the prognosis is equivocal Most lenders and agents report some upturn in sales activity. But they warn that the improvement is patchy, both by area and type of property: that some of the larger markets are still heavily over-

supplied; and that prices are

only just stabilising.
One analyst also points out that the big banks have generally found it easier to offload. relatively small propertyrelated assets, and that large blocks of their portfolios

AUSTRALIAN BANKS 1992-93 Profit after tax but before abnormale (A\$m) :-578.1 1,070.1 Nat Australia Bank 801.7 11.1% . 11.5%

were down from A\$3.57bn to A\$3bn, while the charge for bad and doubtful debts was 46.1 per cent of the previous year's figure at A\$1.29bn. But neither analysis nor the banks suggest that the going is

about to ease. Westpac, for example, noted that "the trend in charges for bad and doubtful debts will depend on whether there is a sustained improvement in economic conditions affecting...customers," adding that conditions in the commercial

remain illiquid. This, he suggests, is a problem of particular significance to Westpac. Meanwhile, on the lending side, the only significant

to a surge in interest from potential house-buyers. According to one survey released this week, 76 per cent of Australians reckon that this

growth came in the housing-related area. Falling mortgage rates, coupled with expectations of an improving economy, have led

is a good time to buy a home. The problem for the lenders is

that everyone is eyeing the same opportunity, and mortgage price competition is

Demand for business credit, by contrast, remains muted and corporate investment levels are extremely weak. The business community continues to give priority to further rationalisation of operations and achievement of efficiency improvements ... total busi-ness credit actually contracted over the past 12 months, noted Mr John Gough, chairman of ANZ. Macquarie Bank, a more specialised institution, said that "in lending to the top end of the corporate sector, margins are being cut to the

Inevitably, as the banks have concentrated on riding out the recession, cutting costs and resolving past problems, they have been inward-looking. Only NAB is thought to be to a position to consider significant expansionary moves. Here, there has been speculation that the bank may add a US opera-tion to the clutch of interests owned in the UK, Ireland and New Zealand.

"I think an acquisition is very live and, internally, they're quite keen," says Mr Craig Turton, analyst at Pru-Bache. The caveat, he adds, is whether opportunities in the US have become less attractive following the recent wave of consolidations there, and the emergence of the

#### **NEWS IN BRIEF**

## Honda and Mitsubishi in parts pact

pressure on Japanese car-makers, Honda Motor said it would sell an important component for the first time to a rival domestic carmaker, Mit-subishi Motors, AP-DJ reports

from Tokyo.

Spokesmen for both companies said Honds would sell driveshafts for use in front-wheel-drive cars to Militalishi.

The purchase marks another shift in the traditional Japanese car industry practice of purchasing supplies mainly from companies in the same "keiretsu", or industrial

#### Chinese group to raise HK\$262m

Shenzhen China Bicycle is launching a rights issue of 32.34m B shares to raise HK\$262m (US\$34m), Reuter.

reports from Hong Kong.

The group is offering one rights share at HE\$8.10 a share for every five B shares, which are aimed at foreign investors. It also plans a rights issue of 21st domestically-held A shares to raise Yn182m (US\$31.2m).

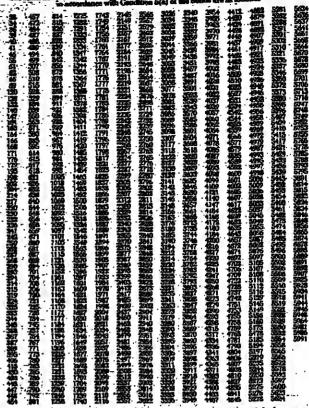
Net proceeds from both dard Chartered Asia, will be used to finance business in China

drawn up. But Gencor has also used the

time to sound out companies which

have pre-emptive rights to some of Billi-

The Industrial Bank of Japan Finance Company N.V. 230,000,000 115/6% Companied Boards Due 1995 gueranteed by The Industrial Bank of Japan, Limited (the "Bonds")



-----

 $\partial A^{k} \Delta f$ 

 $\mathbb{I}_{2,\sqrt{2},2/7}$ 

£-2354 1.00

2

THE INDUSTRIAL BANK OF JAPAN TRUST COMPANY

## Gencor chief cool on prospects for Billiton deal

U.S. \$150,000,000

Floating Rate Notes due 2002

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the six month period ending. His May, 1994 has been fixed at 5.125% per anamm. The interest accrumg for such six month period will be U.S. \$26.05 per U.S. \$1,000 Bearer Note, and U.S. \$200.20 per U.S. \$10,000 Bearer Note and U.S. \$2,605.21 per U.S. \$2,605.21 per U.S. \$2,605.21 per U.S. \$2,605.21 per U.S. \$400.000 Bearer Note on 31st May, 1994 against presentation of Coupon No. 3.

Union Bank of Switzer land London Branch Agent Bank

U.S. \$400,000,000

**Banque Française** 

Du Commerce Edeneur

Guszenteed Floating Rate Notes due 1997

For the Stree months November 30, 1993 to February 28, 1994, the Notes will been interest et 3.75% per simum. U.S. \$62,75 will be payable on February 28, 1994, per U.S. \$10,000 principal amount of Flotes.

U.S.\$300,000,000

 $\varpi$ 

The Tokai Bank, Limited

Notes Due 2000

(2) Plast Boston Agent

U.S.\$500,000,000

U.S. SECOND

November 30, 1993

U.S. 2 10,000 Hotel

0

25th November, 1993

By Kenneth Gooding, Mining Correspondent

A decision about the deal that would transform Gencor, the South African resources group, into one of the world's biggest international mining and metals businesses, will be made before the end of the year, but there is a "less than 50 per cent chance" that it will go ahead, according to the group's chairman, Mr

Brian Gilbertson. Gencor announced in May that It wanted to buy most of Billiton, the min-ing and metals operations within the Royal Dutch/Shell group - assets with a book value of \$1.8bn. Mr Gilbertson makes clear that the price being asked is the key issue. He says: "It is not in our interest to buy assets that are fully valued. We have to buy assets to which we can add value. Billiton has to offer us a good return.

Billiton is heavily involved in the aluminium industry and Mr Gilbertson says that negotiations have been complicated by the fact that a view has to taken about aluminium prices, which are close to their all-time low in real terms.

Gencor's 40 per cent-owned Alusaf associate is spending \$2bm to build a 450,000-tonnes-a-year aluminium smelter in Richards Bay, South Africa, if this could be combined with Billiton's unstream operations, which produce bauxite and alumina (the raw materials for aluminium), a world-class business would emerge, ranking about fifth in the western world.

NOTICE

to the holders of the outstanding

U.S. \$30,000,000 IX per cent Convertible

Bonds Due 2005

Mirwon Co., Ltd. (the "Burds" and the company" respectively)

Notice is hereby given to the holders of the Bomb that the

Company has usued as the

of its preferred stock rights to

decribe for up to 1,824,000

shares of common stock of the Company. Such rights were swed on 20th October, 1991.

The record date for such gran to the holders of its common

stock and preferred stock will be 27th November, 1993 and such

whis will be exercisable from 27th December, 1993 to 26th December, 1993.

A turther Notice will be given

the holders of the Bonds of

my resulting adjustment to the

onversion Price in relation to

Benkers Trust Company, London As Mrb Niroember, 1993

he Bonds

Mr Gilbertson is enthusiastic about prospects for aluminium - he suggests the underlying annual growth in demand is between 2 per cent and 3 per cent "Remember the aluminium busi-ness is bigger than gold and to have a big stake in a business like that is attractive. And our best judgment is that it would be a very cost-competitive business, particularly when the price turns up," he says. But a combination

It has taken longer than expected to disentangle the Billiton assets from those of other Shell companies and to carry out an extensive "due-diligence" more than R500m (\$1460 survey, reports on which are now being right one present itself.

Internationale

Nederlanden

Bank N.V.

U.S. \$100,000,000

Floating Rate Notes

duc 2003

For the interest period 29th November, 1993 to 27th May, 1994 the Notes will curry an

interest tate of 5, 1875% per an-

num, the interest amount payable per U.S. 1,000 Note will be U.S. \$257.93, and for the U.S. \$257.93, and for the U.S. \$257.93, and for the U.S. \$250,000 Nore will be U.S. \$250,000 Nore will be

U.S. \$6,448.35, payable on

Accountants, are pleased to

appounce that Credit

Consultants International

Limited of West Byfleet,

Surrey, have completed a very

successful first year of trading

The company has invested in

advanced on-line commercial

and consumer collections

software and the installation of

the company's first Datapoint Predictive Dister has

eonsiderably enhanced productivity. The company's

indited accounts to 31st Amoust 1993 are available from the

Company Secretary - tele

Chartered

27th May, 1994. Little on the Lanconbown

Hays Allan,

of Alusaf and Billiton would be by far

the biggest part of Gencor, and it might

want to take on a partner to share the

ton's most desirable assets. Mr. Gilbert-son says that this will stop the pre-emp-tive process being long and drawn out. He expects some pre-emption — analysts suggest Minorco is likely to take up the rights to the Collabrasi copper project in Chile – but says this would not kill the deal with Shell. Mr Gilbertson, on his annual visit to

London to meet UK investors, says that if the Billiton deal fell through it would be a big setback to Gencor's international ambitions. But Gencor is regularly offered mining and metals invest ment opportunities, and has net cash of more than R500m (\$148.8m), should the

This announcement appears as a matter of record only.

\$32,000,000 Oilfield Equipment Credit



TECHNOLOGY VENTURES LTD.

Provided by



TOKOB*A*NK Moscow





As Guerantor



SOVLINK-AMERICAN CORPORATION

**New York and Moscow** Served as Financial Advisor to and Arrange the Financing

October, 1993

# Balances budgets. (And minds.)

ishara Limicad, 22 Chelses Manor Street, London SW3 5RL Telephone 071 351 4399 Facaistife 071 351 1424

If doing the company budget drives you mad, you should invest in Commander

you everything you need for balanced top-

down and bottom-up budsteting. For further loformation and a list of forthcoming inars call, Chris King on 071 351 4399.

COMSHARE

Lloyds Bank Plc Primary Capital Undated cating Page Notes (Series 2)

For the three months, November 30, 1993 to February 28, 1994 the Notes will carry an interest rate of 3,8875% p.a. weth a Coupon Amount of U.S. 592.19 psystee on February 28, 1994. By: The Class Municities Bank, M.A. Landon, Agent Bank





New Zealand

£200,000,000 Floating Rate Notes 1997

In accordance with the provisions of the Notes, notice is bereby given that, for the three mouth period 26th November, 1993 to 28th February, 1994 the Notes will bear interest at the rate of 57/s per cent. per annum. Coupon No. 34 will therefore be payable on 28th February, 1994 at £700.17 per coupon from Notes of £50,000 nominal and £70.02 per compon from Notes of £5,000 nominal.

> S.G. Warburg & Co. Ltd. Agent Bank

Italian Lire 100,000,000,000

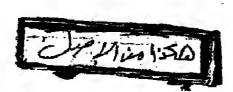


Credito per le Imprese e le Opere Pubbliche Societa per Azioni Floating Rate Notes Due 2001

In accordance with the provisions of the Notes, notice is hereby given that for the interest Period from November 30, 1993 to May 31, 1994 to Notes will carry an interest Pase of 8,15% per armum. The armount of interest payable on May 31, 1994 will be Italian Lire 40,638,356 per Italian Lire 1,000,000,000 principal amount of Notes.

By: The Chase Manhatten Bank, N.A. London, Agent Benk





#### INTERNATIONAL CAPITAL MARKETS

## Long gilts climb as traders digest falling oil prices

By Conner Middelmann and Patrick Harverson

European government bonds were little changed in thin trade ahead of today's UK Bud-get and the Bundeshank's announcement of its latest round of securities repurchase

UK gilts had a mixed day as traders prepared for today's Budget and the Bank of England's gilts auction

The long end of the yield curve put on the strongest per-formance, underpinned partly by the continuing decline in oil prices. London futures for Brent crude oil fell below \$14 per barrel for the first time in five years following Opec's decision not to cut output quo-

This is a further factor

indicating that inflationary pressures will stay subdued through 1994," said Mr Chris Anthony, gilts analyst at

The 10-year sector was over-shadowed by next Wednesday's gilts auction. The Bank of

#### GOVERNMENT BONDS

England will announce the terms and amount of the auction at 3.30pm today. Most dealers are betting on another £3bn-£3.25bn of the 6% per cent gilts due 2004.

"That would add liquidity to the issue, which should become next year's 10-year benchmark," said one gilts

The long gilt futures contract ended at 1164, up &

German government bonds erased their early gains to end broadly unchanged on the day. The December bund contract on Liffe closed at 99.97, up 0.05 point from Friday but off its intra-day high at

Prices were underpinned early by firmness in the US Treasuries market, but late profit-taking in the futures pits dragged bunds lower into the

Following the Bundesbank's fixed-rate repo at 6.25 per cent last week, some dealers expect another fixed-rate repo at the same rate today to dampen easing speculation ahead of Thursday's council meeting as a variable-rate tender might tempt banks to test for a lower

repo rate. However, others argued that recent tight money market conditions, which necessitated

via two-day repos yesterday, might mean the repo rate would remain close to 6.25 per cent even if bldding was at

The rally in longer-dated US Treasury securities continued yesterday morning, as further declines in oil prices offset fresh evidence of a stronger

By midday, the benchmark 30-year government bond was up % at 100%, yielding 5.189 per cent. At the short end of the market, the two-year note was unchanged at 100%, to yield 4.135 per cent. Prices firmed from the start

at the long end of the market. thanks to another big decline in oil prices. They have been falling since

last week, when Opec failed to

declines in other commodities, have beloed spark a much-

if it were not for falling oil prices, the market probably would have reacted badly to vesterday's news that existing October, a stronger-than-expected reading from the housing

French bonds outperformed bunds in quiet trading, boosted by the continuing appreciation of the franc, which hit its highest level against the D-Mark since the August 2 revamp of Europe's exchange rate mecha-

Despite the franc's strength. the Bank of France left its 6.45 per cent intervention rate unchanged at its latest repo operation, and is expected reach an agreement on produc- to refrain from easing key

**NEW INTERNATIONAL BOND ISSUES** 

posted more gains following yet another slide in stock prices. The March JGB contract rose 0.22 point to

Sentiment was slightly dampened by supply worries ahead of today's JGB suction, and fears that some banks may offload bond positions ahead of the year end to make up for losses incurred in the stock

However, in the longer term, "the outlook is still very bullish for Japanese bonds," said Mr Stuart Thomson, senior economist with Nikko

He expects the yield on the benchmark bond to fall to 2.75 per cent by next June from

## Budget watchers await lead from **PSBR** forecast

the gilt market.

When Mr Kenneth Clarke, UK chancellor of the exchequer, stands up to deliver his Budget speech this afternoon, the UK government bond market will be waiting to see if he lowers the government's previous forecasts for the public sector borrowing requirement (PSBR) year, thereby reducing the amount of borrowing needed in

By most estimates, the Bank of England is ahead of schedule with the funding programme. Back in the March Budget, Mr Norman Lamont, then chancellor, forecast a PSBR of £50bn (\$74.5bn) for 1993-94. Right months into the financial year, the Bank has completed about £43bn of gilt funding. This calculation takes into account the second and third instalments of partly-paid stocks issued in the previous financial year (1992-93), but does uot include last year's overfunding, estimated by some City institutional economists to be about £5bn.

So, on its original calculation of a £50bn PSBR, the government only has a further £7bn of gilt issuance to come, the equivalent of two or three gilt auctions.

However, according to City economists, this year's PSBR is more likely to be in the region ted economic recovery and

lower debt-servicing costs. On that calculation the Bank would only need one or two more auctions, perhaps supplemented with some tap issues. Last Friday, the Bank said it would hold an auction on December 8, which the market expects to raise about £3bn. After that, it seems likely that the Bank will take advantage of builish market condi-tions to issue partly-paid stock in January and February, with the second and third payment instalments falling in the fol-

By the same token, the Bank would not need to include the 1992-93 overfund in this year's calculation, and may prefer to carry that over for another year, especially if conditions in the gilt market become more difficult.

Mucb of the funding this year has been in the five-to-10 year maturity range, where there has been strong demand from overseas investors who purchases of medium and longdated gilts.

With the shift in the gilt yield curve to a positive slope after sterling's exit from the European exchange rate mechanism paved the way for more dramatic cuts in the base rate, some economists point out that the Bank should have issued more stock at the short end as of between £45bn and £48bn, a means of reducing the govhelped by a faster-than-expec- ernment's borrowing costs.

#### **Guide to World Currencies**

The FT Guide to World Currencies, previously published on Tuesdays, will in future be published on Mondays. In yesterday's paper, it appeared on page 24 in the UK and page 21 overseas. Readers who missed can obtain a copy by fax. To use this service, diel 0891-437 001 from your fax machine. When the FT fax service answers with an electronic tone, press the start button on your machine and hang up the handset. Calls are charged at 38p/minute cheep rate, 48p/minute at other times. The service is available in the UK only.

## Hungarian bank steals limelight with DM1bn offering

By Antonia Sharpe The National Bank of Hungary had the stage to itself yesterday when it raised DM1bn through an offering of 10-year Eurobonds, its third DM1hn

Eurobond issue this year. The bonds, via Commerzbank, were priced to yield 223 basis points over the German government's 6 per cent bund due 2003, broadly in line with the spread in the secondary market on Hungary's DM1bn issue of 10-year Eurobonds,

launched in August. Syndicate managers said the pricing reflected the market's improved perception of Hungary, since last year it was paying a yield spread of more than 300 basis points over bunds.

The bonds were targeted mainly at German retail investors, among whom Hungary has a wide following. However, lead manager Commerzbank

WORLD BOND PRICES

TURES LTD.

BENCHMARK GOVERNMENT BONDS

said the yield pick-up on the bonds also attracted institutional demand from the Benelux countries and the UK. The bonds, which had a recommended re-offer price of

#### INTERNATIONAL BONDS

99.55, slipped to 99.10 bid in the late afternoon. Some traders blamed the fall on signs that the lead manager was selling the bonds below the recommended level.

Yesterday's other notable issue was a \$1.15m offering of four-year Eurobonds from Eurofima, the Swiss-based rolling stock financing organisation. The proceeds were swapped into floating-rate Swedish kronor,

A number of borrowers are scheduled to tap the Eurobond market before it closes down

Price change Yield ago ago

The International Finance Corporation, which completed its \$200m buy-back of old Eurobonds last week at an average spread of 14 to 15 basis points over US Treasuries, is due to launch a \$500m offering of five-

year Eurobonds today. The offering, via Deutsche Bank and Mitsubishi Finance, is expected to be priced to yield between 12 and 13 basis points over US Treasuries.

Depfa, the German mortgage bank, is likely to raise DM1bn through an issue of 10-year Eurobonds in the next few days, via Commerzbank and The Bank of Greece is expec-

ted to raise \$500m through an issue of five-year floating rate notes later this week, via CSFB and Salomon Brothers. The notes are likely to yield between 110 and 115 basis points over Libor.

M NOTIONAL ITALIAN GOVT, BOND (BTP) FUTURES

101.80 Jan.2004 2.00 YEN NTT Data Corone, Systemojoj 10bn Deutsche Finance (Neths.) 6.00 100.35R Jan.2004 0.25R +17.4/6/a-03) Deutsche Bank de Bary AUSTRALIAN DOLLARS Final terms and non-callable unless stated. The yield spread (over relevant government bond) at taunch is supplied by the lead manager, tifloating rate note, Rt food months proot fees are shown at the re-offer level, a) Coupon pays 3-month Libor + 0.35%, b) Spread to over the interpolated yield curve. c) Short 1st coupon.

behalf of the state. From next was originally expected to index on December 30, Reuters year, the Hellenic Republic is raise \$500m, but the amount reports from Madrid. expected to tap the internacould be raised to \$750m due to

timal capital markets directly.

The Republic of Argentina is likely to launch its offering of

Banco Bilbao Vizcaya (BBV) The issue could be the last 10-year global bonds towards will launch Spain's first domesby the Greek central bank, on the end of next week. The deal tic bond issue linked to a stock issue will total Pta10bn.

The bond yields will be linked to the IBEX-35 stock index which supports futures and options trading on the

Meff exchange. The three-year

									38.0							
	FT-ACTUARIES	FIXED	INTERE	ST IND	ICES					7					-	
	Price Indices UK Gits	Man Nov 29	Day's change %	Fri Nov 28	Accrued Interest	×d adj.					- Mediu Nov 29					
•	1 Up to 5 years (25)	129.87	+0.06	129.58	231	10.03	5 yrs	6,00	6.02	7.40	6.25	6.23	7.77	6.38	6.39	7.90
	2 5-15 years (21)	158.63	40.17	158.37	2.52	11,56	15 yrs	5.83	6.88	8.44	6.94	8.38	8.89	7, 14	7.18	0.18
	3 Over 16 years (9)	182.53	+0.50	181.81	3.30	10.04	20 yrs	0.93	6.99	8.87	6.97	7.02	0.04	7,15	7,19	9.26
	4 Irredeemables (8)	213.11	+1.23	210.53	1.19	13.47	irred.†	7,04	7.13	9.01						
	5 All alocks (61)	154.16	+0.21	153.84	2.60	10.93										
								-	— infletti	on 5%		****	- Inflatio	n 10% -	_	
	index-linked							Nov	29 No	26 Yr.	ego _	Nav	29 Nov	26 Yr.	<u>AD</u> O	
	6 Up to 5 years (2)	190.96	+0.05	190,86	0.79	4.28	Up to 5 yrs	2	14 2	.15 2	.51	1.	29 1.	30 1.	71	_
	7 Over 5 years (11)	187.89	+0.36	187.20	1.21	4.29	Over 5 yrs	3.	10 3	12 3	.BB	2	2	95 3	70	
	8 All stocks (13)	187.28	+0.33	185.68	1.17	4.27										
								6	wear wie	M	15	veer vie	M	26	VART V	id
	Debentures and Lores										Nov 29					
	9 Debt & Louis (65)	145,57	+0.44	145,54	1,73	10.75		7.56	7.55	9.00	7.94	7.97	10.10	8.08	8,13	10.25

	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,							-1.5 0.15 1.07		, ,				
FT FIXED II	NTERE	est II	NDICE	ES					GILT EDGED A	CTIVITY	INDICE	S		
	Nov 28	Nov 29	Nov 25	Nov 24	Nov 23	Yr ago	High*	Line		Nov 26	Nov 25	Nov 24	Nov 23	Nov 22
Govt. Secs. (UK) Fixed byterest					103.43 123.80		103.94		Gift Edged bargains 5-day average	87.1 94.3	\$1.9 96.3	98.8 111.4	104.1 118.7	101.7
* for 1993, Government 16					40 (9/1/35	low 49.1	נפר/ועב) א	Fired Inter	est high since completion: 125.2	D (LABASS) pom	50.63 (3/1/75)	. Basis 100: 0	iquamment Se	curities 15/10/

		Coupon	Date	Price	change	Yield ago	a ago	(LIFTE)	Lies 200m	100ths of	100%	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Australia Bolokum		10.000	10/02	121.4800		6.74 6.85			Open	Sett price	_	High	Law	Est. vol	Open int.
aneda "	٠.	7.500	12/03	114.7300 104.8500	+0.100	6.80 6.86 6.86 6.97	6.86	Dec Mar	113.06	112.56 112.92	-0.10 -0.03	113.18 113.48	112.37 112.77	38047 18527	68961 41255
nmerk nce Bi	TAN	8.000	05/08	111,2200		6.30 5.84 6.30 6.00		Jun	•	112.92	-0.03	•	•	0	1
	TAC	6.750	10/03	105,4200	+0.020	6.01 5.98	5.99	N ITALIA	N GOVT, B	ONED (BTP)	FUTURES	OPTIONS	(LIFTE) LIN	200m 100	hs of 100%
tarry		9.000	10/03	-96.0000	-0.500· 9.	317 9,40	9,40	Strike		Mar CAI	LS -Jun		Mar	PUTS -	Juri
No 15		4.800 . 4.600	06/99	108.6730 .		2.79 · 2.95 3.45   3.50		11250		2.31	3.29		1.80		2.87
ands		6.500	04/03	104,9800	+0.330	5.79 5.82	5.84	11300		2,06	3.04		214		3.12
		10.500 9,750	10/03	112,9000		8.51 8.51 8.07 6.13		1 (380) Est. vol. tob		1,83 Puta 484, Ph	2.81	coss int. C	2.41 19668 P		3.39
		8.000	06/08	109-03		8,69 6,76 8,86 7,10									
wy"		5.750	E0/80	100-10	+10/32	5.71 6,85	5.50								
nch Go	v0	6,250 8,000	04/03	100-23 111,7600		6.20 6.34 6.29 6.30		Spain							
seine. Ne	ou York	mid-day			. 1	elds: Local es	mint standed		NAL SPAN	SH BOND	FUTURES I	MEFFA			
LIK In	Sende, c	oing within others in d	activity but schief	at 12.5 per o	and Dollaryte p	Source Mail	raj 18 jedarostkopi		Open	Sett price	Change	High	Low	Est. vol.	Open int.
D FUI	URE	S AN	D OF	TONS				Dec Mar	102.98 103.18	102.89	+0.10 +0.25	108.15 103.26	102,88 103,10	28,053 12,396	77,882 18,256
ince								Jun	•	104.00		•		•	50
OTIONAL F		Sett price			Low	Est val	Open Int.	W NOTICE	NAL UK QI	LT FUTURE	s (LIFE)	250,000 32	nds of 100	76	
124	.24	124.34	+0.22	124.40	124.22	7,487	150,825		Open	Sett price	Change	High	Low	Est. vol	Open ent.
128	.05	128.20	+0.20		128,06	62	50,094 2,654	Dec	116-03	116-01	+0-06	116-06	115-30	28614	46398
		127,62 CH BONE		NS (MATTE)	127,30		2,004	Mar	116-10 114-23	115-10 114-20	+0-04	115-18 114-23	115-08 114-23	24229	88432
		CA				- PUIS -				RES OPTIO					
	Ja	M	86"	Jun .	Jen	Mer	Jun	Strike		CAL				PUTS -	
	2.25	3.	96		0.04	0.28	0.68	Price		Mar	Jun 2-18		Mar 1-34		Jun 2-42
	-	1.1			0.23	0.66	-	116 116	1	-54 -23	1-55		2-03		S-15
	0.72	1.2		:	0.64	1.06	:	117 Est and 100		H62	1-31		2-42		3-65
	0.06	0.1		0.67	-	-	-	ESF. VOL. COLI	H, Camil 4150	Pubs 1975. I	HANCHE CON	- open mt.	<del></del>	PUR 12/35	
100 100 100 3UND FUTUR	L12 . L10	99.97 100.05 100.00 TIONS (L		100.22 100.10	99.91 100.00 100.10 Inta of 1005	99476 10271 346	116954 53796 944	US III US TRE	120.34 118.86	120,34 119,64	+0.14 +0.14 ES (CST) 1	120.58 116.88	120.30 119.86 2nds of 100	150	10,502 2,171
	14		.Jt	un .	Mar		Jun		Open	Latest	Change	High	LOW	Est vol	Open int.
	0.8		0.1		0,79 1.06		1.1S 1.42	Dec	116-04	117-00	+0.31	117-01	118-00	98,354 12,375	219,112
~-	0.4	3	Q.	72 .	1.36.		1.72	Jun Jun	114-26 113-28	115-21 114-16	+0.28	115-21 114-18	114-23 113-28	185	85,261 8,436
WE, CAMB	-2/6 P		CONTRACTOR C	ley's open int.		a, rua) 00/00		Sep		112-22		•	•	87	12,629
HOTIONAL, M					<b>1480</b>					TERM JAP		OVT. BON	D FUTURE	3	
Ор	en :	Sett price	Chang -0.05	e High	Law 102.90	Est. voi 2365	Open Int. 20680		Орел	Cicae	Change	High	LOW	Est vol	Open int.
103 103		102.94 103.09	-0.05		103.18	2303	12	Dec - Mer	115,95 116,16		:	115.97 115.24	115.95 115.05	1371	0
								" LIFFE to		ed on APT.	All Open	interset fig		previous d	ry-
GILTS	QD.	CES													
GIL 19	انسم	V-3							-	-					
	icion .	int Red	2 solfs	- or - 18gh	LOW			Red Price E +	er- High	293 LON		Hotes (	73ek/	af +a-	High Law
1994 1984	Flore You	8.45 5.16	1002	102 <b>7</b>	100% These	o 2003	4 912	6.91 122 <sup>1</sup> 2 6.90 1262 6.91 012	+3 1204 +3 814	116% Traes	200 '94	LIES DE	ا د. د	384	1385 1315
-	_ :	4.18 5.0 3.06 6.0	10213	100%	1933 Course	erator, P <sup>1</sup> 2pc 20	24- 7.90	6.82 1263	120H	67H 2pc	790	#7.5 1.1 178.5 1.	1.89 2 1 2.07 1	124	11217 1052
a, 1994) 1984	_	9.75 5.0	71023	1004 1053 1103 1113 1113	102.2 Trees.	63-re 2004	6.73	R 70 100.5	12% 13% 14% 100% 120% 14% 100% 14% 100% 11% 11% 11% 11% 11%	471. 21st	pc '01	74.0 2	26 1.89 2 17 2.07 1 11 2.79 1 15 2.82 1 15 2.95 1 16 2.95 1	100 100 100 100 100 100 100 100 100 100	1385 1315 2025 1946 11217 1052 1736 159 1697 155 1155 1052 1805 1564 1844 1484 1708 1484 1476 1224 1515 1304
#-		8.00 5.10		10534 +4 1113	105% COOV: 103% Trees 167% 7%	9 ½ pc 2005 12½pc 2003- ps 2006††	6.65	6.86 1203 7.06 1304 6.88 10738 4.82 1073	+1, 1339	1242 43	06	136.5 2	8 295 T	154 +16 794 +16	1804 1504
s 90 <del>-</del> 95	_	1.16 6.1 3.08 4.8		44 1118	24 Spc	3303-011	7AZ	4.60 1073	+14 105	94.7 212	26 109	(74.8) 21 (74.8) 21	M 105 1	170	115% 1084, 1804, 1584, 1844, 144 1708, 148)
1995##	1	6.52 5.2 1.22 5.3	1137	1005	11312 Trees.	11 kpc 2003-	7A7	7,05 TATA 6,92 118FE	+Å 131& +Å 1138	110ds 212	× 43	692 2 61.6 2	4 3.11 1 8 3.15 1	1013	147A 1221
00t±	1	1.96 5.4 2.51 5.5	1078 1078 1135 1774 1217	+3 120%	1164 812	pc 2007 C## 200 '04-8	7.47	6.92 11.94 7.05 14613	# 113명 # 11부 # 14명	105% 212	16 p 20 p 24# x 30#	6816 1/ 677 1/	H 118 1	401 +5 1513 +2 404 +3 221 +3	147 1242
1996##_ 10pc 1996	1	1.27 3.54	1178	1214	1154					112	× 10	(97.7) \$1 (36.1) 31	8 3.19 1	224	1235 1004
1997±	_ 1	8.96 5.80 0.96 6.80 9.25 5.80	1214	1228	11842					and	50 5M. (c)	Figures b	Distriction	MAS BENOW 1	Pi base for
1997 1997 1997	<del>-</del> ,	9.25 5.8 7.99 5.8 1.48 8.0 8.02 6.1	109]	+1 10011	105 <sup>1</sup> 2 12715 Dec-1	Fifteen Years				redec	t rebesing o	FPI to 10	Oin January	1987. Con	17315 1025 17315 1034 on of (1) 1094 191 base for adjusted to version factor 1932 141.8.
		8.82 6,16 6.93 6,0	7 111% 121% 3 1134 3 1093 6 1908 6 1908 1137 1 1048 1 1048	1855 1205 1205 1205 1205 1205 1205 1205 12	115% 106% 118% 110% 100% 127% Over1 127% Trees 86% Spc 101% Convi	Pithen Years Spc 2005 ## _ 2000	7.57 7.28	8.94 178% 6.98 1096	+1 1184 +1 1091 +1 1204 +1 1204 +1 1204 +1 1204 +1 1204	92.7					
1998# 8# 1995-98		5.93 6.01 5.93 6.01 6.63 5.34	104.	+4 104B	101 E Conv (		7.28 7.46 7.48 7.48 241 6.22 7.20 7.15	8.94 178% 8.95 109% 8.96 129% 8.96 129% 6.97 120% 6.97 88% 8.96 171% 6.96 108% 6.95 120%	+ 1184 + 4 1092 + 4 1204 + 4 1204 + 4 1204 + 4 1094 + 4 1	1161	her Fix	OU MITTE	431		
pc 1995-98	1	182 6.5	12933	1201	1250 Treas	2011 0 ## 9pc 2012##	7.44 211 8.22	6.59 8833	+14 12002 +14 8848	704		Notes in	Yest P	fice ( + cr -	1995
					- Trees	anc 2013##	7.20	6.95 1043	+8 1114	23(1	00w 111 - 90		7.26 1		
Filter Years		199 69	1383	12682		84.pc 2017#	7.13	6.95 12032	1208	973 Adet	0ev 114 20 Dev 104.pc 2	10g &	2 721 1	384 +5 27 +4	1364 1154

AND SHE ENGLE AND						to secondary merket. Latent prices at based					issued	Bid	(News	Cha	. Y
	Secund	tho	Omer	Ung.	TIERO				Ling.					GIQ.	_
DOLLAR STRAIGHTS		-ml	101		6.38	United Kingdom 71e 97 5500 Volkswagen Intl Fin 7 03 1600	106 <sup>5</sup> 9	105%	.7.	5.21	Affance Lotes 11½ 95 £ 100 British Cass 12½ 95 £ 500 British Cass 12½ 95 £ 150 BiB 10 97 £ 537 Hallian, 10½ 97 £ 100 HSBG Holdings 11,80 02 £ 153 taby 10½ 14 £ 5 200 Japon Dev Bk 7 00 £ 200 Land Sees 5½ 07 £ 200 Colonis 11½ 01 £ 100	115	115 <sup>1</sup> 2 106 <sup>2</sup> 3	4	5
Oak Lies strength out on		1005	1094		4.48	World Bank 0 15 2000	27	27	3	6.12	Greek Land 12 k vs. C 150	1365	1374	-3	
top Nat Timenry 62 color had Timenry 62 color had 63 colo		1144	1145		5.89	World Bark 54; 96 300	102	1025		4.80	FIR 1097 C 637	1114	1115	-,	5
rk of Tolon 84 98	100	1073	1061		4.88	World Berth 8% 00 1250	117%	1183		5.36	Hullay 101+ 97 E 100	111%	1123		6
dun 97 96	250	1164	1174		5.41						Henson 103e 97 E 500	1117	1124	4	•
Œ74W	150	106 <sup>7</sup> g	1085		4.98	SWESS FRANC STRAIGHTS					HSBC Holdings 11.89 02 £ 153	1224	1225	+4	ŧ
ish Gas 🛚 Z1	1500	127	13 <sup>3</sup> 8		7.62	Asian Dev Bank 8 10 100 Council Europe 43 98 250	1142	116		4.74	taly 10 <sup>1</sup> 2 14 C 400	1254	1281	414	. 7
acts 9 96	1000	108 <sup>1</sup> 4	108		4.55	Council Europe 474 98 250	1025	103		4.09	Japan Dev Bk 7 00 C 200	40.57	10212	110	
CE 94 98	300	10614	1065		4.00	89 64 04 300	174	1743		5.04	Land Sect 312 07 £ 200	1114	1124	+ 1	
enud Koud Hu 2,5 ap -		31.5	105%		6.11	Sec de France 74 06 100	117	11712		5.31 4.45			1214 1101 <sub>2</sub>	-4	
or trace of or	100	1175	116		5.52	Connect Marrier Tie DE 1700	1031	1034		4.92	Empr. Tear 113 90 C 150	170%	120%		
mak al on	1571	len.	108		422	Finland 7 <sup>1</sup> <sub>4</sub> 99 300 General Motors 7 <sup>1</sup> <sub>2</sub> 96 100 Hyundai Motor Fin 8 <sup>1</sup> <sub>2</sub> 97 103	108%	108	_ل_	5.01	Powergen 6% 03 2 250 Severn Trent 1112 99 E 150 Tokyo Bez Power 11 01 C 150	1221	1224		
SC 84: 98	193	1001	1387		4.83	instant 75 00	1154	175	•	4.88	World Bank 111, 95 C 100 Abboy National 0 96 NZ\$ 100 TCNZ Fin 91, 02 NZ\$ 75 CEPME 10 96 FFF 2000	1075	1081	4	
84 96	100	106 <sup>1</sup>	108		4.78	Kobe 63s 01 240	1114	112	44	4.52	Abbey National 0 96 NZ\$ 100	8314	8414	+1-	
74 98	250	1074	1074		4.77	New Zealand 47 99 200	101	10112	7	4.65	TCNZ Fin 94 02 NZ\$ 75	1154	1144	٠,	
94 97	1000	1144	114		5.18	Ontario 6'4 00 400	710	17012	7	4.87	CEPME 10 98 FFT 2000	105 <sup>1</sup> e	10612		
c de França 9 85	500	115%	1145	+4	5.29	Quisbac Hydro 5 98 100	100	101		5.00	FIRE OR LABOUR 64 SS HA 3000	1217	1221	478	
dima 91, 98	100	1005	110		4.68	SNCF 7 04	1194	17912		4.69	SNCF 94 97 FFr	110%	1114		
ITT BENTY JEDUN B 02	800	1724	112	***	6.12	World Bank 5 U3 150	103/2	1034		454	TO STATE OF THE PARTY OF THE PA				
AR Forces 92, 95  SC 94, 95  SC 94, 95  C 94, 95  T4, 96  94, 97  L 94, 98  T4, 98  T4, 98  T5, 97  T6, 98  T7, 98  T7, 98  T7, 98  T7, 98  T8, 98  T8	150	170%	1152		5.45 5.23	Hydrical Reduct Per 92 97 1135 (aplant 7 76 100 100 100 100 100 100 100 100 100 10	115-7	1155		4.47	FLOATING RATE NOTES	Bld		Ger	6
ich Percet QL 98		1052	1094	7	441								_		_
Motor Cred 64 96 _	1500	100%	1027	- 1	5.85		106%	1094	412	3.35	Banco Rome 0 99 200 Belgum 1/2 97 DM 500	99.69		2.60	3
Blec Caratai 63x 86	300	11012	111		4.83	Denmark 796 40000	705	1055	•	2.28	Belgum 1/4 97 DM 500	90.97		0.06	6
AC 94 98 Bit Japan Fin 77, 97	200	1077	1053		5.36	BB (\$ 00 100000	11712	1173	414	3,48	BFCE -0.02 98 950 Brbyrra 0.10 96 C 150	99.81		194	3
Sk Japan Fin 7% 97		1077	10812	+2	525	22 9° 100 100000 18c of 5° 100 100000 18c of 5° 100 10000 18c of 5° 10000 18c of 5° 10000 18c of 5° 100000 18c of 5° 1000000 18c of 5° 100000	108	1091	444	2.50	CCCE 0 00 E 120	95.70		192	6
Arner Day 75, 98	200	1071	1071		4.72	Finland 84, 96 50000	100%	1097	+	2.43	COCE D 08 Scu 200 CBCorp Blog 1, 98 400 Credit Lyornes 1, 00 300 Denmin 1, 98 100 Drescriber Finance 1, 98 DM 1000	99.90		144	5
81 Z3	3570	954	95)	412	7.38	Inter Amer Dev 74 03	1212	1214	**	3.47	Credit Lyconous & 00 300	100.05		151	5
N DAY BX (P.S. D.)	500	2744	1143	+14	591 477	Japan Day 88 5 99 100000	1084	1183	41 <sub>2</sub>	3.12	Denmark -1 <sub>6</sub> 98 1000	99.50	96	163	3
Amer Dav 74, 96	300	11174	1085	+4	5.29	Misson Tel Tel 57 08 5000	1004	109 <sup>1</sup> 2	+4	244	Dreadner Finance & 98 DM 1000	99.92		103	8
setita Bec 74 02	1000	198	106		844	Nonety 51 <sub>9</sub> 96 50000	1034	104	•	2.25	Ferro del Stat & \$7 400	701.50		2.33	6
a Fin a sy sternica Else: 7 <sup>1</sup> s, 62	150	1084	1087	رد.	4.83	SNCF 61/2 00 30000	118 <sup>1</sup> a	1183	43.	3.47	Ferro del Stat & 97 420	98,71		1.05	3
ton 74 Tel 0% 05	200	1084	10332	4	425	SNCF 6½ 00 50000 Sweden 5½ 98 20000 World Blank 8¾ 03 50000	108	70632	+4	2.22	Finland 0 97 1000	99,95		703	5
ESY 7 % 97	1000	1057	1071	414	4.97	World Baris 6% 03 50000	1184	11812	+14	3,47	Haliax 95 1, 95 E 350	00.00		183	3
no 74 03	3000	10512	1064	+12	8.53						Instanct O 99	100.21		129	3
ir Kontrollicent 6/2 01 o- Controllic 7/4, 98 septi 6/4 (29 septi 6/4 (2	200	175	175%	1	5.90 4.81	OTHER STRAIGHTS	9912	10012		7.79	Leeds Permanent 1 98 C 200	99.94		104	6
CONTRACTOR TO THE CONTRACTOR T	7900	OCT.	965	444	6.54	Arbed 712 98 LP7 600 Generation Let 913 98 LP7 1003 Would Bank 8 96 LF7 1000	10772	1/2012		7.57	Lloyds Bank Perp 5 0.10	82,44		144	3
See Shadro Bis 98	150	116la	1154	3	6.82	World Bank 8 96 LFr	10112	10217		7.26	Multiples   1/2 95	99.94		130	5
Prov 9 98	200	11212	113	-1	6.87	Bank Voor Ned Gern 7% 02 Ft 1000	109	10012	4	629	Neglatwide 0.08 89 £ 300	DQ. 77		2.85	5
PLTY 9 <sup>1</sup> 4 96	150	11012	150%		5.08	Energie Batter 81, 98 FI 500 Alberta Province 10 g 98 C\$ 500	11014	110%	-11	8.28	New Zessand 16 95	100.01		L15	3
10 99	300	1137	116	ᆚ	6.76	AttestsProvince 10% 98 CS 500	110	11012	3	5,66	Societa Generale 0 96	99,54		180	3
# P7 #	500	1074	1074		428	Bell Carrecte 10 <sup>2</sup> s 96 CS 150 Billion Columbia 10 95 CS 500	114%	115	-	7.39	Staatsberik Berlin -0.05 96 DM _ 6000	99.89		199	6
- 612 HG	150	1763	1167	44	5.40 5.67	SECRET COMMENTS TO SO CO 500	108	11012	1	5.74 6.47	State Sk Victoria 0.05 98 125	98.59	98	187	3
BE NEW BL- OR	200	104	1035	178	5.00	ER 10 <sup>2</sup> g 95 CS 130 Elec de France 9 <sup>2</sup> g 99 CS 275 Gen Bec Capital 10 98 CS 300	1175	1142	3	5.61	Sweden 0 96 1500	100.02			3
ien 51 <sub>2</sub> 96	2000	102	1021		444	Gen Bec Cardal 10 96 CS 800	1094	110	-	5.93	United Kingdom -1, 95 4000	99.79	99	84	2
det Error 8 28	700	1074	1084		4.75	NW Int Fir 10 01 CS	115%	176 <sup>1</sup> 6	+16	7.18	CONVERTIBLE BONDS				
o Bec Power 64, 96 -	300	109%	1105	+14	4.84	Nippon 1el Tel 1014 96 C\$ 200	115 <sup>1</sup> 2	118 <sup>1</sup> 2	ale	6.95		one.			
o Metropolis 84, 99	200	1091	1035	+14	4.80	Ontario 8 03 C\$ 1500	703	10314		769		Price	Bld (	Y6	
ta Notes 5's 96	1500	100%	101	.1.	5.42 6.00	Ortario Hydro 187, 96 CS 500	1164	1173	130	6.96					-
d Kingdom 74, 02	1500	1144	11412	44	5.50		11512	116 <sup>1</sup> 4 175 <sup>1</sup> 2	+-8	5.88		27		100	#
Bank 8-1 99	1500	1114	112	7	4.85	Retains St. Of Part	107	10714		5.77	Chubb Captal 5 96 250 Eastman Kodak 6 1 01 300 60		119 12	065 <sub>8</sub> 201 <sub>8</sub>	-
				•		Beginn 91, 95 Ecu 1250 Council Europe 9 01 Ecu 1100 Council Europe 9 01 Ecu 1100 Cedd Llynnais 9 98 Ecu 125 EB 10 67 Ecu 1125 Ferro del Stat 101; 95 Ecu 500	175	7184	μĬg	6.37	Cold Kelepoodie 71: 00 65 1.0	554 II		93 <sub>2</sub>	
TSCHE HARK STRAF	CHIS	-				Credit Lyonnais 9 98 Ecu 125	1054	10012	وا-	6.38	Henson 9 2 08 E 500 25	875	2412 12	25%	+
1 57 87	500	101%	1024	43	5.27	QB 10 97 Scu 1125	112	1127	_	6.76	Hanky Pref 5 02 400	21 1		185	-
Lm 73 02	500	10912	109%		823	Ferro del Stat 101 95 Bost 500	1127	113	-	8.45	Land Secs 64 02 £ 64	172 1/		174	
is Fonder 7 <sup>1</sup> e 03 next 6 <sup>1</sup> e 98 sche Frience 7 <sup>1</sup> 2 95	200	1084,	1034	11	628	Rely 10% 00 Eou 1000 Speln 9 85 Eou 1000	1214	1214	41	5.53 5.80	Gold Kingoorle 71: 00 65 1.0 Harson 91: 00 E 500 2.5 Harshey Pref 8 02 400 Land Sect 64: 02 £ 64 Land 75 05 £ 03	1E4 9		114	
sche France 710 85	1000	1024	102	1	5.52	United Kingdom 91s 01 Equ 2750	1164	1165	**	6.23	Marco Bank 25 95	26 (		151 <sub>4</sub>	+1
5 % 85	700	1031	10932	•	5.31	ADC 10 99 AS106	1134	1143	-	6.92	Not Prove 64 06 0 250	133 1		23	4
67 03	2900	105	1051		5.53	BP America 124 96 AS 100	112	11212		637	Ooden 8 t2 95 39	077	95 1	10.	4
Z 69		1104	11114		5.37	Comm Bk Australia 1334 De AS 103		132		6.95	Smith Nighter 4 02 E 90 1.	775 1	32 1	312	4
12 72 00	3000	109	1094		5.91	Separtinare 12% 95 A\$ 75	108	70912	34	5.80	Summorno Barik 3 <sup>1</sup> 2 04 305 360	15.9		47	16
7L 04	500	170	110 <sup>1</sup> 4	42 <sub>2</sub>	6.25 5.53	MCLIONICA CIBNESI 15 65 AS 103	1137	1412	44	5.53					4
7 <sup>1</sup> 4 98 n 7 <sup>1</sup> 4 00 den 9 97 o Sac Power 7 <sup>2</sup> 9 02 _		1045	1037	+4	6.24	RSAY Tremsury Zero 0 20 AS 1000 R 5 7 Bank 7 4 05 AS 125	1025	102%	****	7.49 7.28	Tesco Capital 9 98 C 200 2 Testas instrumentas 2 to 02 500 8				#
fers 9 97	2500	1031	1095	-	5.36	Sth Aust Gov Fin 9 02 AS 150	110	1103	1	7.41	Terrais instruments 24 02 500 8 * No information evaluable - previous day	erg 14	ma	102	1
											: Only one months maker supplied a pri				

## Dalgety buys petfood arm of BP for £42m

Dalgety, the food and agricultural supplies group, yesterday took its plans to become a leader in European petfood a stage further by huying Paragon Petcare from Brit-ish Petroleum for £42m cash. Paragon, which earned a £3m

operating profit on sales of £103m last year, is among the last remaining businesses sold by BP's nutrition division, which the oil company put on the market last year.

Dalgety says the deal will give it continental sales of more than £100m annually and 12 per cent of the European petfood market by volume. That would be ahead of Nestlé of Switzerland and close to maker Oats of the US, which holds second position to Mars, also of the US.

Dalgety's petfood sales have grown rapidly since the mid-1980s to about £225m annually. About 80 per cent are in the UK, where Dalgety's Spillers subsidiary is the second largest producer after Mars, with about 20 per cent by value of

As well as raising Dalgety's UK market share to about 24 per cent, the deal will give the group manufacturing capacity, a higger customer base and

MARKET grocery stores,

the Continent, where Paragon

Mr John Martyn, Dalgety's finance director, said: "We see petfood as a European business, and this is a very significant step in our expansion recently dampened European markets, he expected growth on the Continent to outstrip

had sales of £61m last year.

the UK in the medium term. Paragon, which employs 850 people, has plants in France, Germany and the Netherlands, as well as in Britain, and is particularly strong in sales to petshops. Its main brands are

#### shares fall on Beta in the UK and Doko and warning Dokat on the Continent, About half of its business is private-

By Andrew Bolger

**Dorling** 

sales are to supermarkets and are supplied by exports from Santa has not been kind to Dorling Kindersley, the recently floated publisher the UK. The group's main continental petfood operation is which impressed the stock Hopermann, a German distribution company acquired four years ago. However, Hopermarket with the quality of its illustrated reference books mann's efforts to launch Daland futuristic multimedia gety brands, such as Prime and Bonio, on the Continent have products.
Its shares fell nearly 10 per cent yesterday after the pub-lisher warned that trading in made little headway, and the

group has less than 1 per cent the important pre-Christmas of the German market. period had been disrupted by a Paragon's financial performance this year is expected to computer problem at its distributor. Tiptree Books, which be similar to last year's. Mr Martyn said Dalgety's aim was is owned by Random House, to quickly increase the busithe US publishing group. Mr Richard Harman, manag-ing director, said he could not ness's margins much closer to the 8-9 per cent return on sales quantify the impact of the problem, but a claim was being assessed by Arthur

label production.

Most of Dalgety's continental

earned by Spillers.

Dalgety would be looking closely at ways to sliminate duplication between the two businesses. Paragon's four British plants are believed to much less efficient than Dalgety's four UK factories, in which the group has invested heavily in recent years.

Dalgety is thought to be interested in making further continental acomisitions and is believed recently to have belo talks with Nestle, which holds small shares of six European

ing in spite of the appointment of e new chief executive and round-the-clock working to clear the backlog. Although the disruption had been spotted in August, it was still affecting distribution to trade ontlets and the DK Family Library, which sells directly to homes, offices and schools. Mr Harman said the UK rep-

tem in July.

Andersen, the accountants

and would be pursued against

Tiptree was named distribu

tor of the year at the British Book Awards in February, but

difficulties started when it

installed a new computer sys-

Mr Harman said the prob-

lems at Tiptree were continu-

the six months to September resented only about 30 per cent of Dorling Kindersley's Turnover advanced to £10.1m sales. Although Christmas accounted for about 60 per (£7.23m) as the number of beds rose to 1,374 (1,245). ANS said cent of sales, that was a lower weighting than other publishers, some of whom did 75 per publication of best practices across the company had cent of their business in the helped reduce costs, improving operating margins from 33 run-up to Christmas.

Mr Peter Kindersley, group chairman and chief executive told vesterday's annual meet ing that it was too early to quantify the financial effect of the problem. However, BZW, the house broker, reduced its forecast of pre-tax profits for the year to June 30 from £11.5m to £10m.
Dorling Kindersley's shares

vesterday closed down 31p at 293p, still well above last October's flotation price of 185p. Most of the City's excitement has been generated by the link with Microsoft, the US compoter software group which has a 20 per cent stake in the UK company.

## Tring postpones planned flotation

Industries Correspondent

Tring International, the budget price compact disc company. said yesterday that it had postponed its planned flotation because of the weakness of the new issue market.

The flotation, which had been scheduled for next month.

would now take place in the first quarter of next year, the company said.

Tring said the decision was not the result of legal action it faced for allegedly selling via Newton John, Cat Stevens, Bob Marley and other artists. Record companies PolyGram, BMI Records and MCA have served writs on Tring

"The timetable has most definitely and categorically not

changed became of the Higa-tion; the company said. Tring says the legal actions will not have a material effect

faced for allegedly selling the companies it believes hold manthorised recordings of Olithe copyrights and withdraws music from sale if complaints are made. . Tring announced last month

that Mr Alan Wheatley, former chairman of venture capital group Si, had agreed to become chairman. Mr Wheatley has not yet formally taken up the position, however, and is not yet a director of the company. It is understood that he will on its prefits, which were make a decision on whether to

on his other commitments. . Mr Tony Morris, a former vice president of PolyGram International, has already taken up his position as

Tring's deputy chairman Tring said that sales in October had been at a record level and it appeared that November had also been a successful month. There was no pressure on it to go for a quick flotation. We're a very successful company with masses of cash. There's no need to raise cash to pay off huge debts."

**BAe upbeat** 

on regional

iet business

British Aerospace yesterday confirmed its intention to con-

tinue its regional jet

operations and seek another international alliance for that

iness even if it were forced

3-3-5

19-14-12:15

## Bristol Evening Post at £3.1m

An 80 per cent higher contribution from its newsoaper and printing activities helped the Bristol Evening Post lift pre-tax profits by 17 per cent to 23.1m in the 26 weeks to September 30. The regional newspapers and retailing group had been stalked until May by Mr David Sullivan, publisher of the Sunday Sport and Daily Sport, who

was keen to move into mainstream newspapers. Mr Stanley Clarke, chairman, said the possible imposi-tion of VAT on newspaper

Associated Nursing Services,

the nursing home operator, yesterday announced interim

pre-tax profits ahead from

£725,000 in the 28 weeks to October 10 1992 to £1,26m in

identification and

cover prices made it difficult to comment on the prospects for the second half of the year.
Group turnover declined by almost 3 per cent to £30.1m, with the contribution from newspapers and printing down at £16.8m. (£17m) and from retail activities down 5 per cent at £12.2m (£12.9m). The latter was mainly due to "an acceleration of the disposal of

kiosk shops Profits from newspapers and printing grew to £1.31m (£781,000), though Mr Clarke said that the circulations of the two main newspapers - the interim div Bristol Evening Post and the 4.25p (4p).

"We looked at best practice

in all of our homes and put

together a single best practice document," said Mr Tony Rob-

Controlling the wage bill had been a significant element,

according to Mr Nick Dhandsa,

He said: "Overall, I am very

confident about the future.

An interim dividend of 0.5p

(ml) is payable from earnings

. Mr Dhandsa said that the Care in the Community Act,

per share of 9p (6.6p).

inson, finance director.

Expanding ANS rises to £1.26m

Western Daily Press remained depressed. The kinsks reorganisation led to the retailing side making less at £215,000 (£288,000). Features agencies and film production was flat at £47,000, while trans port and vehicle repair lifted profits to 2249,000 (£202,000). The group offset the increased reorganization costs

of \$842,000 (\$244,000) by profits from the sale of further Reu-ters abares which, accrued £371,000 (£276,000). Earnings advanced to 847p (7.27p) per share and the interim dividend is lifted to

caused some delays to apprais-

als of potential residents, some of which had been politically

Dudley in the West Midlands

was the quickest, turning

appraisals around within 5

days, while Liverpool's author-

ities were the slowest, the com-

between local authorities and

health authorities over which

were responsible for some

Net interest charges fell to 2545,000 (£914,000) as total bor-

rowings fell to £15.4m (£17.1m).

elderly people's care.

There was also confusion

pany said -

to ahandon its proposed joint venture with Taiwan Acro-Although BAe has continued egotiations with Taiwan, the future of the joint venture remains in serious doobt.

By Paul Betts.

The company yesterday sought to reassure its regional jet workforce, based at Woodford, near Manchester, that it would maintain the business should the Taiwan negotiations break down.

Mr Dick Evans, chief executive, confirmed the company "ongoing support" for the business in a message to employees. He added that the strategy of establishing an international partnership "will continue to be pursued".

BAe is believed to have had contacts with other possible periners. However, it believes it can now keep its restructored regional jet business going on its own while it seeks an infernational alliance.

## Institutions back Ferranti board

By Paul Taylor

Both sides in the increasingly bitter battle over the future of Ferranti International, the defence electronics group, have begun marshalling their supporters ahead of next week's offer deadline.

As expected, institutional investors are falling in behind the board, which is backing a lp a share rescue hid from

According to Ferranti, Institutions cootrolling 28.6 per ceot of the group's 936m ordi-

BOARD MEETINGS

bid include the three biggest shareholders, Phillips & Drew Fund Management with about 10.4 per cent, Guardian Royal Exchange with 4.76 per cent and Prudential Portfolio Managers with 3.9 per cent. Other supporters include Electra

investment Trust and Co-op Insurance Society. Ferranti's 100 largest share-

nary shares and 20.6 per cent of its 79m special shares have its equity and the next 8,000 said that, in the absence of a speak for a further 30 per cent. higher bid, they will accept the The final 10 per cent is in the hands of about 40,000 individu-The institutions backing the

GEC has said its will not proceed with the bid unless it receives acceptances covering least 90 per cent of the outstanding equity. If the bid fails, Mr Eugene

Anderson, Ferranti's chairman has warned that the group's hanks will call in the receivers. Shareholders opposed to the £11.4m offer, which they have described as "derisory", have formed the Ferranti Shareholders Support Association, chaired by Mr John Katz.

The association, . which claims a membership of some 230 shareholders speaking for more than 22m shares, said it had received letters and phone calls from more than 1,000 shareholders expressing opposition. It expects to speak for 35.5m shares by December 8, the closing date for accep-

## Tops Ests falls to £0.83m

office property company, yesterday announced a 30 per cent rise in rental income from months to September 30, but saw pre-tax profits fall from £918,000 to £825,000, writes David Blackwell.

The group, which is lifting the interim dividend by 5 per cent from 0.5775p to 0.5064p, lifted earnings per share from 1.33p to 1.41p. However, the

down from a previous £305,000. Mr Everard Goodman, chair-man, said the six months had been "a progressive period" for the group, which would contime to grow. He described the consistent rise in consumer

spending as encouraging. Net interest charges rose from £3,55m to £5,16m, Mr Goodman said high interest borrowings of £16m would be repaid next May "removing. earnings increase reflected a this short-term burden.

#### **DIVIDENDS ANNOUNCED** Corres Date of ponding payment dividend Assoc Nursing § .......int Borthwicks .05 Bristol Post .... EFM Income Tat

Dividends shown pence per share not except where otherwise stated, †On

- Jan 28 -Feb 11

ILVA S.p.A. in solvent liquidation

Invitation for expressions of interest in the acquisition of the controlling stake in

#### Dalmine

ILVA SpA - currently in solvent liquidation - ("TLVA"), headquartered in Rome at Viale Castro Pretorio 122, with an issued share capital of Let 2.094,903 million, intends to make available for sale the whole stake owned by it in Dahmine Spa ("Dahmine") directly and indirectly through one of its subsidiaries (which for this purpose has granted to ILVA the broadest authority), and wishes to solicit and receive expressions of interest in the acquisition of this stake.

The stake held by ILVA and its subsidiary amounts to 86.42% of the issued state capital of Dalmine. Dalmine, a company listed on the Milan Stock Exchange, with headquarters in Dalmine (Bergamo), Piazza Caduti 6 luglio 1944, no. 1, and with an issued and entirely paid up share capital as at 30 Jone 1993 of Lts. 347 billion, is a holding company controlling twelve industrial and

commercial subsiduaries whose business is the production and marketing of seatuless tubes. The Group's turnover for 1992 amounted to approximately Lit. 1,061 billion. The Group's workforce, as at 11 December 1992, comprised 4,201 people. The production sites are in Dalmine (Bergamo), Costa Volpino (Bergamo), Sabbio (Bergamo), Arcore (Milano), Carbonaria Serivia (Alexandria) and Houston (Texas, U.S.A.). For the purposes of this transaction ILVA has retained Barclays de Zoete Wedd Limited ("BZW") as its financial adviser.

Burclays de Zoete Wedd Limited Ebbgate House, 2 Swan Lane, London EC4R 3TS Richard Gillingwater / Jeremy Seddon Tel: +44-71-623 2323 Fax: +44-71-956 4662



This invitation is being exclusively extended to limited liability companies or similar entities, with issued and entirely paid up share capital, or equivalent, not smaller than Lit. 10 billion. Brokers and trustees are excluded.

In the event that two or more parties acting in concert are interested in the acquisition, their expressions of interest will be taken into account only where the above requirements are adhered to by each of the parties and all such parties present themselves as one single

Parties meeting the above requirements should express their interest in the acquisition by contacting BZW in writing or by telefax, not later than 14 December, 1993, requesting a copy of the Information Memorandum on Delmine.

Upon registration of interest, parties will have to send a copy of their articles of association and by-laws; a list of all members of the Board of Directors and of the Board of Anditors; financial data for the last three years or, for parties established more recently, fisancial data for the available years; a list of the 10 major shareholders with an indication of their relative shareholdings; details of any external financial sponsor of the accusation; and any other information considered necessary to illustrate the manufacturing, commercial, organisational and financial position of the parties interested in the acquisition. In the event that two or more parties acting in concert are interested in the acquisition, the documents attached to the request should refer to each of those parties.

BZW will send to interested parties a copy of the Confidentiality Letter relating to the information Memorandum on Dalmine. On receiving back a duly signed copy of such Letter, BZW will send a copy of the information Memorandum to those parties which have met the requirements set out above and provided all the information required.

BZW reserves the right, at the sole discretion of the Liquidating Committee for ILVA and without any obligation to explain its decision, to take into consideration any expressions of interest registered after the expiration of the final date mentioned above.

Any decision relating to the possible commencement of negotiations or any other relationships with interested parties shall be notified to them in writing by BZW, at the sole discretion of the Liquidating Committee for ILVA and without my obligation to explain its decision. This announcement and the receipt of expressions of interest abould not be construed as creating any obligations for ILVA and EZW with

respect to the sale of ILVA's shareholdings in Dalmine. This announcement represents neither a public offer, now a solicitation of public savings, under art. 1 to 18 of Italian Law 07/06/1974 no.

216 and following modifications and integrations, The Italian text of this amountement will prevail over any other version.

Interested parties should direct any enquiries to the following:

#### Heidelberger Zement Aktiengesellschaft

## HEIDELBERGER

#### **Subscription Offer for New Shares**

According to the authorization of § 4 Section 2 of the Articles of Association (Authorized Capital) the Board of Management has, with the approval of the Supervisory Board, resolved to increase the share capital of DM 175,000,000 by DM 25,000,000 to DM 200,000,000 by issuing new shares made out to bearer. The new shares, 500,000 shares of DM 50 nominal value each, will carry the entitlement to dividends from January 1, 1994 (i.e. full dividend for the 1994 fiscal year). The Issue price is DM 780 for each share of DM 50 nominal value.

A banking syndicate under the lead-management of Dresdner Bank AG and the co-lead-management of Deutsche Bank AG has underwritten the new shares subject to the proviso that the shareholders be offered these new shares for subscription at a ratio of 1 for 7 in accordance with the terms of the issue.

Following the entry of the capital increase in the Trade Register, we request our shareholders to exercise their subscription rights and, in order to avoid exclusion from participation, to do so in the period

from December 6 up to, and including, December 16, 1993

at any of the following subscription agents' offices during customary office hours:

Dresdner Bank AG Deutsche Bank AG Baden-Württembergische Bank AG Bayerische Vereinsbank AG Delbrück & Co. B. Metzler seel, Sohn & Co. KGaA

In accordance with the subscription ratio one new common share may be subscribed at an issue price of DM 780 for every seven old common shares upon presentation of dividend coupon no. 54 as well as for every seven old non-voting preference shares upon presentation of dividend coupon no. 3. The subscription rights from the common shares and nonvoting preference shares may be used jointly for subscription of new shares.

The subscription rights associated with the old shares (German security code no. 604708) will be traded and officially quoted at the stock exchanges of Stuttgart, Düsseldorf, Frankfurt am Main and Munich from December 6 up to, and including, December 15, 1993. The subscription agents are prepared to arrange, as far as possible, for the purchase and sale of subscription rights on such stock exchanges.

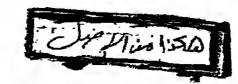
The issue price is due for payment upon subscription, at the latest, however, on the last day of the subscription period. Normal banking commission will be charged for subscription, unless the subscription right is exercised by the subscriber against presentation of the aforementioned dividend coupons during customary office hours at the counter of one of the subscription agents' offices and no additional correspondence is involved.

The new common shares (German security code no. 604701) will be made available to the shareholders under a collective security account on the basis of a global share certificate lodged with Deutscher Kassenverein AG.

At present, no arrangements have been made to have new share certificates printed. For the new shares, old common share certificates with dividend coupons nos. 56 to 60 and renewal talon will be made available on request after the Annual General Meeting to be held on June 30, 1994 (following payment of the dividend for the 1993 fiscal year). No claims for the issue of individual certificates may be lodged prior to that date.

The new shares have been admitted to trading on the stock exchanges in Stuttgart, Düsseldorf, Frankfurt am Main and Munich; trading and official quotation of the new shares are scheduled to commence in due course after the end of the

Heidelberg, November 1993



# otation:

B.4e upba

on regions

Contract the

Time

Treatment of 12 miles 12 miles

FRANCE CONTRACTOR

111.21

Commission of the

and the Committee

4 4 mg as pr

Contract to any and

and the management of

TES LANOUNCED

\*\*\*\*\*\*\*\*\*

North Line

# Keeping an eye on the ratings

Michael Smith on how the City evaluates the electricity companies

opens the interim results season of the 12 regional electricity companies in perhaps a rather more relaxed mood than that to which it is accustomed when reporting to the City.
On previous occasions it has

been among the lowest rated of the recs, but in recent months its shares have moved ahead strongly as investors have re-examined its prospects.

Three years after the regional electricity companies of England and Wales were floated, Eastern's improved for-tunes highlight the way the City evaluates in a sector where each of the companies is

remarkably similar.

How do analysts judge the companies, and do differentials between the various compa-nies' share prices matter? In most sectors the danger of

a low stock market rating is that it increases the chances of a company being subjected to a hostile takeover bid. The gov-ernmant's ownership of a golden share in each of the 12 recs makes that less of a consideration in electricity.

Even after 1995, when the golden share expires, few ana-lysts expect contested takeovers in the sector, in part because the differential in the ratings, whether measured in prospective -yields or price/ earnings ratios, is relatively small when compared to other

sectors, including water. However Mr. Nigel Hawkins, an analyst at Hoare Govett, is among those who believe that likely. The stronger a company's share price, the stronger its bargaining position would

be in merger talks. Mr Nigel Burton, electricity analyst at SG Warburg Securi-ties, says there are two other motives for rec executives to keep their ratings high.
"The first is that high share

prices act as an incentive on "Most recs' employees look regularly at their company's share price and see how it is

"The executives' second motive in keeping their rating high is their pride."

faring against others in the

If Mr Burton is right, the pride of Mr John Harris, chairman of East Midlands Electric-ity, must have taken a fair knocking in the past three years. East Midlands has never been highly rated since its flotation and yesterday was no

day's closing price of 561p, the lowest of the recs, all of which were floated at 240p. But what signifies its low valuation in City eyes is its prospective yield for the current year. If Warburg is right in its prediction that the company will pay out 22p to shareholders in

Its shares were, at yester-

1993-94 the prospective yield is This, again, is among the highest of the recs, signifying the City's relatively poor view of the company. On Warburg's analysis Norweb was sitting on the top of the rec pile at noon yesterday, with its shares trading at a prospective

In evaluating slectricity shares investors are strongly influenced by their perceptions of the managements and their strategies. One reason why Eastern has climbed from the bottom of the beap is that it last year appointed Mr John Devaney as chief executive.

Prior to his arrival there had been concern that Mr James Smith, now chairman but then chief executive as well, was not doing enough to improve the company's efficiency and the City felt staff numbers

remained stubbornly high. Mr Devaney, appointed from outside the industry from his previous job in the US motor industry, is credited with implementing significant job cuts and improved efficiencies in the past year.

At East Midlands, Mr John Harris, chairman, is considered by some potential investors to take too high a profile. While other rec chiefs kept their heads down during the national debate over coal last year and this, Mr Harris could often be seen on television putting forward the industry's

The City prefers the quieter, more cautious approach of someone like Mr Ken Harvey, chairman of Norweb. One analyst relates how be recently visited a small institution for the first time in six years. "Ken had been there the week before. The personal touch can make all the difference,"

But however personable a company chief is, he has to have a convincing story to sell pay off. Here again, investors have been sceptical about East Midlands' diversification into areas such as electrical con-

They tend to prefer the stickto-basics approach of Manweb. the only one of the 12 recs which has not participated in joint ventures to set up comblned cycle gas generating plants.

Mr Simon Williams, electricity analyst at Kleinwort Ben-son Securities, says Manweh's shares are among the most attractive in the sector because they have the lowest risk strat-

egy. This, he says, is also reflected in its drive to improve efficiency. The only way to consistently beat the regulator is to cut costs and Manweb has consistently demonstrated it can do that."

In the coming months con-trollable costs will come increasingly to the fore. This year's interim results will be treated with relative caution by investors who are wary of drawing too many conclus from a half year which contributes far less than half of

annual profits. The focus will be on how the company can present itself to the regulator as he prepares his review of the companies distribution husinesses. Distribution is where the recs make most of their money, if companies show they have done as much as they can to make them efficient they may suffer least in the review and, therefore, in their share price.

director of Janson Green, expects Mr Hurst-Bannister' syndicate, which has a provi-sional number of 1215, to have a stamp of about £60m in 1994, dicate 418 in 1993.

He said that Janson Green would endeavour to close 418's 1991, 1992 and 1993 years into the ongoing syndicate but was nnahle to say whether that

would be feasible. Mr Cleary said Merrett had the "expertise, systems and experience" to bandle the "open" underwriting years "in bonse." Lloyd's said it would monitor the run-off of both 418, whose 1985 and 1990 years were already "open", and 1067. Merrett will try to sell the goodwill in respect of four smaller syndicates - 179. 332, 1038 and 1184.

Mr Cleary emphasised that the problems of Merrett's underwriting activities had had no impact on other trading divisions.

#### Merrett to scale back underwriting activities

By Richard Lappe

Merrett Holdings yesterday outlined plans to radically scale back its Lloyd's underwriting activities, focusing future operations on loss adjusting and other insurance services businesses.

Merrett, chaired by Mr Stephen Merrett, the former depnty chairman of Lioyd's of London, lost support from members' agents - which channel Names to its syndicates, earlier this year. Plans hy Travelers' Insurance, the US insurance company, to provide backing for the agency's higgest syndicates, 418 and 1067, collapsed earlier this month.

Mr Alan Cleary, group chief executive, said yesterday it was "virtually certain" that 418 and 1067 would not be underwriting in 1994 "as they have not attracted sufficient capacity to enable them to go forward on a viable basis."

However, the blow to Names - the individuals whose assets support the market - and to Lloyd's itself, will be softened hy a deal which Janson Green. a rival managing agency, has negotiated with Mr Barnabas Hurst Bannister, 418's existing underwriter, Mr Hurst-Bannis ter and 418's existing underwriting team will insure at least some of its existing busi-

Mr Peter Coweil, managing against £150m traded by syn-

eration, to a maximum £1,4m, is sales related. BRAMMER, the industrial service group, has sold its US subsidiary. Master Pumps & Equipment, to a management group for \$2.5m (£1,67m). Proceeds of the sale, which is in line with stated policy of concentrating resources in Europe, will be used to reduce

borrowings. BRITISH POLYTHENE Industries has bought Dublin-based Consolidated Plastics and its wholly owned trading subsid-

## Chrysalis accounts change just a 'storm in a teacup' the investment to its original

Chrysalis, the music and media group, is to amend the treat-ment of one of the companies in which it owns shares following discussions with the Finan-cial Reporting Review Panel,

the UK accounts watchdog. The company is to change the 1992 figures in its reserve notes for the treatment of its associated undertaking in Metro Radio, in which it held

The accounts show that it wrote off £3.94m in goodwill against reserves after purchas-ing 3.18m Metro shares for

an 18.7 per cent stake,

However, it then revalued

cost by an amount equal to the write-off, which the panel ruled to be contrary to SSAP1, the accounting standard on associ-

ated companies. The treatment was high-lighted in the 1992 accounts, which stated it was "not in accordance with accounting standards". No such statement had been made in the 1991 accounts after the shares were first acquired.

Neither Stoy Hayward, the auditor in 1991, nor KPMG Peat Marwick, which replaced it in 1992, had qualified the

accounts to draw attention to Mr Nigel Butterfield, group tion reserve.

like to say it's a storm in a teacup, but it's not much of a storm. It's irritating. We wasted a lot of time and profes-

sional fees on it." The directors maintain that they are justified in showing investment in Metro, and will achieve this hy attributing the fair value to the company's intangille assets - its radio

licences. They will also provide a more detailed explanation, and amend the reserves to add back a £3.94m write-off to the profit and loss account reserve and deduct it from the revalua-

GE Capital Modular Space, a

unit of General Electric of the

US, for \$27.3m cash and a fur-

ther 55m in consideration for

the giving of a non-competition

Ohio-based Diamond had a

book value of some \$30m at the

end of September. Last year it

contributed \$1.9m to profits on

turnover of \$24m. GE Capital will not he

assuming \$15.9m of Diamond's

## AAF sells US offshoot for \$33m

lowed hy profits warnings in

July and September which sent

Last month AAF reported an

The deficit stemmed directly

from expansion of its prefabri-

cated building manufacturing

business, which it bought in

1989 into an on-site contractor

The group warned that further

costs of £7m would be incurred

interim loss of £11m compared

the shares tumbling.

with a profit of £2.26m.

By David Blackwell

AAF ludustries, the miniconglomerate which plunged into the red in its first half, is to sell its US modular building subsidiary for a total of \$33.3m

(£22.3m). Mr Alex Brown, chief executive, said yesterday that the disposal "takes a lot of the pressure off and gives us a chance to look at the group afresh.'

No decision had yet been made on making further dis-

On April 1 the company announced a 1-for-4 rights issue at 175p which was 97.6 per cent subscribed. It was fol-

ADWEST GROUP has acquired

Rousseau, a French maker of

jacks for the automotive indus-

ALVIS is paying an initial

£600,000 cash for Morfax's

barrow explosive ordnance dis-

posal robots, A further consid-

worldwide business in Wheel-

try, for £1.1m in cash.

division.

11p to 49p.

Yesterday the shares, which

have traded as low as 19p, rose The group has agreed to sell

debt and inabilities in the second half because of the closure of the lossmaking AAF said the net proceeds of

the sale would be about \$13.3m of which £4.3m would be used to reduce deht to about £24m, leaving gearing at between 110 per cent and 115 Diamond Engineered Space to per cent.

#### PAINTS & THE ENVIRONMENT: AN INDUSTRY FIGHTS BACK

The Financial Times plans to publish this Survey on

WEDNESDAY, 16th FEBRUARY, 1994

It will be published from our print centres in Tokyo, New York, Frankfurt, Roubaix and London, It will be seen by Chief Executives and Government Officials in 160 countries

For full editorial synopsis and details of available advertisement positions, please

BRIAN HERON Tele.: 061 834 9381 Fax: 061 832 9248

FINANCIAL TIMES Alexandra Buildings, Queen Street, Manchester M2 5LF.

**FT SURVEYS** 

#### FT-SE Actuaries seminar

FT-SE Actuaries Classification Committee is holding a seminar for professional investors to discuss the recently announced changes in the classification of UK equi-

The seminar will be held at the Financial Times on December 7. Admission is free. Those interested in attending are asked to contact Liz Leech of the FT on 071 873 3229 or by fax on 071 873 4610.

Fidelity Japan

Fidelity Japan and Regional Markets net assets were \$10.71 (\$6.91) at September 30.

#### **NEWS IN BRIEF**

ation is £2720,000 (£684,000). Consolidated, a producer of polythene film, was jointly owned by Smurfit Ireland and Irish Fertiliser Industries. CASTLE COMMUNICATIONS has sold its sharebolding in Castle Communications (Australasia) to BMG Arista/Ariola. the Australian subsidiary of

purchase price produced a "modest" profit over book value. in addition BMG took on debt of £520,000. CZECH & SLOVAK Investment

Bertelmann Music Group. The

Corporation: Net asset value \$9.54 at September 30 (\$9.46 at March 31). Net deficit per share L3 cents for six months to September 30 (4.2 cents for previous 71/4 months period).

DRAGON OIL has disposed of minority interests in two associated companies, North West iary CV Packaging Consider- Exploration and New Signet

Resources, for I2337,500 (£320,000).ELLIOTT (B): Rights issue of 9.1m ordinary shares taken up as to 8.48m shares (93.12 per

with institutional investors. EMAP has acquired Containerisation International, a monthly business magazine with a circulation of 9,758 in 120 countries, from National Magazine Company. CI, which derives 87 per cent of its adver-tising from outside the UK, returned a small operating profit on turnover of £1.9m for

cent). Balance has been placed

the 1992 year. GUINNESS PEAT Group is buying 31.9 per cent of the vot-ing capital of Physicians Insurance Company of Ohio for \$5m (£3.4m) cash. Physicians bas \$231m under management and in the 1992 year reported a loss

Yearly data for retail sales valume and industrial production plus all data for the vacency rate indicator are in index form with 1985=100. Quarterly and monthly data for retail sales and industrial production show the percentage of the total labour force. Figures for the composite leading indicator are end-period values. # JAPAN UNITED STATES # FRANCE # ITALY # UNITED KINGDOM 98.1 105.2 115.5 122.8 125.8 123.7 121.9 121.8 100.0 104.1 106.8 114.2 118.7 118.0 115.4 113.8 100.0 98.0 105.5 106.1 99.3 84.6 62.2 60.4 100.0 106.5 113.8 122.6 132.5 141.8 144.6 139.9 100.0 94.3 106.3 135.9 147.0 149.8 144.2 124.2 100.0 102.2 102.6 106.3 111.4 117.2 100.0 102.4 106.5 100.0 102.4 104.5 107.9 100.0 106.8 112.1 108.0 118.8 114.3 110.8 116.3 28 28 25 27 21 21 22 1985 1986 1967 1968 1969 1990 1991 1992 100.9 106.0 110.7 112.4 112.4 110.3 112.9 112.9 134.9 161.1 163.0 127.7 111.4 117.8 115.9 112.0 111.8 114.0 113.7 109.2 109.5 110.1 121.8 125.0 126.2 128.2 233,1 213.4 209.3 194.5 1.8 3.3 3.0 3.8 0.9 1.8 S.0 2.7 32 44 38 42 -5.5 -5.9 -6.0 -7.7 -5.1 -4.3 -3.8 106,8 107.0 109.2 112.6 10.7 11.0 11.5 11.7 101.8 98.6 91.8 85.0 2.7 2.0 9.3 9.0 4th qtr.1992 7.2 6.9 6.9 6.7 61.8 62.2 63.7 66.0 1.4 -4.6 -3.8 -2.1 4.9 5.3 5.6 5.9 111.5 5.9 3.7 5.3 117.3 23 23 24 25 115.3 2nd qtr.1993 3rd qtr.1993 10.6 10.2 121,6 121,8 122,6 123,5 125,0 126,3 126,4 126,2 107.2 106.8 106.5 106.6 107.0 107.6 108.1 109.2 110.2 101.6 98.0 97.1 96.6 96.0 3.2 4.0 4.6 4.4 4.3 3.9 3.3 4.2 3.7 4.0 4.9 232.3 -52 1.0 0.1 -3.8 4.3 1.1 -3.1 S.3 1.8 -0.8 2.0 10.7 10.9 10.9 11.0 11.2 11.4 11.5 11.8 11.7 111.4 0.2 0.5 1.8 2.0 1.6 1.3 4.8 5.1 3.6 2.8 2.1 110.0 7.2 7.0 6.9 6.6 6.8 6.8 6.8 6.7 6.6 62.4 62.3 60.4 63.5 62.3 62.9 65.0 63.1 65.6 66.7 65.8 -8.6 -7.8 -7.8 -5.8 -2.0 -4.1 -4.2 -4.8 -4.5 23 24 23 23 23 25 25 25 25 -5.7 -4.4 -3.5 -4.3 -4.7 -3.6 -4.8 -3.9 -3.3 -3.3 na 117.0 117.3 118.2 117.8 117.7 117.2 117.4 117.5 118.3 119.0 232.3 224.2 216.7 212.8 210.2 211.8 208.5 206.8 203.5 165.3 164.6 111.5 111.9 113.4 114.3 114.7 115.2 115.8 118.6 117.8

sonally adjusted. Statistics for Germany apply only to wastern Garmany. Data supplied by Detastream and WEFA. Ratall sales volume: data from national government accuracy, includes mining, manufacturing, gas, electricity and water supply industries except Japan (mining and manufacturing, gas, electricity and water supply industries except Japan (mining and manufacturing task hadiosters relevant vacancy measure divided by total children employment, expressed in index form. Derived from DECD series. US - help-we wernment sources except Japan and Italy (value exide defiated by OECD using CPI). Raters to total retail sales except France and Italy (major outlets only) and Japan (department stores only).

acturing only) and UK (also includes construction industries). Unemployment rater OECD standardised rate which adjusts as for as possible for the different definitions of unemployment used in excelleng, Japan - new vacancies, Germany and France - all jobe vacant, Italy - no data available, UK - untilled vacancies. Composite feeding indicator: OECD data. Each is a

Individually designed, internationally recognised - that's the new MBA from Manchester Business School, Because different students approach an MBA from different experience backgrounds we've restructured the course to offer different entry levels. The length of the programme is different too, it's faster. So you'll graduate in mid-January or March (instead of mid-summer) and gain a real advantage in the job marketplace.

## THE new MORE DYNAMIC MBA.

アンジャラマル オニアングリング

An advantage which is further enhanced by the fact that you will have benefited from the 'Manchester Method' acclaimed worldwide for its practical, project led involvement with leading international companies, for its global exchange programme (USA, Canada, Europe, Japan, Australasia) and for its integrated specialist course options.

To find out more about a new, better, fuster, world class MBA phone or fax Allson Walker on (phone) 061-275 6311 (fax) 061-275 6489.

> Manchester Business School, Booth Street West, Manchester M15 6PB.

We also offer Part-Time MBAs, (day release and residential executive). a DBA, PbD and a Musters in Business Information Systems.

WOOLWICH **BUILDING SOCIETY** £275,000,000 Floating Rate Loan Notes

Due 1995 £200,000,000 F1

ECU 200,000,000

Floating Rate Notes due 2006 For the period from November 39, 1983 to February 23, 1984 the Notes will cury an ingress; rule of 6,6053% per amoun with an interest amount of ECU 188,02 per ECU 19,000 and of ECU 1,650,10 per ECU 105,000 Note.

Caisse Française de Développement

Bank of Tokyo (Curação) Holding N.V. U.S. \$100,000,000 GUARANTEED FLOATING RATE NOTES DUE 1997 

Payment of the principal of, and interest on, the Noles a unconditionally and irrevocably guaranteed by The Bank of Tokyo, Ltd.

(Kebushiki Kaleha Takyo Ginha)
In accordance with the provisions of the Agent Bank Agreement between Bank of Takyo (Curaçuo) Holding N.V., The Bank of Takyo Ltd., and Citibank, N.A., dated November 27,1985, notice is hereby given that the Rate of Interest has been fixed at 3.7% p.a. and that the interest payable on the relevant interest Payment Date, February 28, 1994, ag Coupon No. 33 will be US\$92.50.

COMMERZBANK OVERSEAS FINANCE N.V. U.S.\$ 100.000,000 Floating Rate Notes

of 1985/1995 is hereby given:

Interest Rate: 10 % p.a.
Coupon Amount: U.S.\$ 508.33 per U.S.\$ 10,000 Note
U.S.\$ 2,541.67 per U.S.\$ 50,000 Note
May 31, 1994

Frankfurt/Main, November 1993 COMMERZBANK #2

## Standard & Chartered

Standard Chartered PLC £150 million Subordinated Floating Rate Notes due 1996

In eccordance with the provisions of the Notes, notice is hereby given that for the three month period from 26th November 1993 to 28th Februery 1994 the Notes will bear interest et

the rate of 5.475 per cent per annum. interest per £5,000 Note will amount to £70.50 and will be paid for value 28th February 1994 against surrender of Coupon No 31.

> West Merchant Bank Limited Agent Bank

The Chase Manhattan Corporation 👩 U.S.\$175,000,000 Floating Rate Subordinated Notes due 1997



Success of corporate strategy behind organic expansion

## Control Techniques up 47%

Control Techniques, the Powys-based controls and drives producer, lifted pre-tax profits by 47 per cent, from £6.22m to a record £9.14m, in the 12 months to September

The outcome was struck on turnover of £105.3m, up 20 per cent from the previous

The recommended final dividend is raised to 5.15p, taking the total for the year to 7.5p, against 6.85p. With earnings ahead from

9.8p to 15.3p per share, the distribution to shareholders is now covered twice by earnings, against 1.4 times in

Mr Trevor Wheatley, chairman, said the directors had been "mindful of the need to rebuild dividend cover to a level appropriate to a company such as Control Techniques which, to maintain its competitive edge, must invest signifi-cant sums in capital expenditure and research and

Mr Wheatley said the results were a direct reflection of the successful application of CT'e corporate strategy - which focuses exclusively on drives and controls for electric motors - and this had produced a welcome improvement in organic

The strategy is to maintain CT'e commitment to research and development, to standar-



Trevor Wheatley (right) with Kevin Curran, group managing

dise and centralise production lu state-of-the art manufacturing facilities in mid-Wales and to concentrate the marketing and sales effort ou expanding the company's worldwide network

CT Drive Centres.' Worldwide, CT has 24 Drive Centres, small factories which take equipment from the New town manufacturing base and provide a tailored service to

year as the company moves towards its ultimate target of some 50 units worldwide. Mr Wheatley said the rate of growth in orders had slowed somewhat in recent months and the board was not expecting any substantial improvement in economic conditions, The company had therefore been positioned to increase

sales and profits even in this

Rationalisation has played part in CT's success this year - some 200 jobs have been cut worldwide. But there's more to the strategy than cost-cutting; 100 manufac-turing jobs have been added in Wales and the overall worldwide headcount is only slightly down at about 1,300. CT is benefiting from its focused strategy, from the highly prof-itable Drive Centra development and from overseas expansion. The product substitution that has followed foreign acquisitions has increased output from Wales even though the US and German businesses together accounting for £40m in sales - are not yet contributing to profits. But both are expected to contribute signifi-cantly this year, and in spite of market conditions, suggest a further rise in profits to perhaps \$12m to £13m, putting the company on a reasonable prospective multiple of 16 to

## Kalamazoo sustains revival with £2.5m

By Paul Cheeseright, Midlands Corresponde

Kalamazoo sustained its revival in the six months to September 30 with pre-tax profits of £2.53m, against a restated loss of £936,000 last

Fortunes started to revive at the computer services and printing systems group in last year's second half as losses in its printing systems division were brought under control. The division made a pre-tax profit of £780,000 in the period, against a first half def-icit of £1.51m.

But as Kalamazoo concentrates on the expansion of its computer services business. the future of the printed systems business within the group looks doubtful. Mr Peter Harrop, the chair-man, said that he did not per-

ceive the uccessity of a fire During the first balf, com-

puter services cootributed £21.9m to total turnover of £29.6m (£27.6m). Mr Harrop said that Kalama-zoo intended, from the base of its net cash balances, to spread its computer services business

cross Europe.
The interim dividend is raised to 0.85p (0.25p), payable from earnings of 4.2p per

Markheath said that negotia-

tions with the group's banks

were "continuing in a con-

Strong asset growth at China Inv Trust

China Investment Trust, which

came to the market in May.

reported a net asset value of

111p per share as at Septemb

per share.

30. The figure had increased to

structive manner but were unlikely to be comp-leted by November 30 1993."

until December 30.

**NEWS DIGEST** 

## Lack of exceptional credit leaves Borthwicks lower organic growth but we are also working on joint ventures and

By Catherine Milton ....

Interim pre-tax profits at Borthwicks, the natural flavours company, fell from results since the company completed its exit from the mest processing industry. Figures for the half year to

September 25 were distorted by a one-off £442,000 credit booked in the comparative period related to tax on a New Zealand lamb contract which had

Sales fell by more than a third to £14.9m (£23.2m). Turn-over in continuing businesses increased to £14.5m (£12.9m). "As far as the future is conerned, clearly we are going for

economic situation, and despite the well-documented price pressure from Mr Sains-bury and Mr Tesco, we did increase sales from the UK operations, although operating margins slipped," he said.

Borthwicks said operating margins in the UK businesses

pertnerships and are searching

for acquisitions", said Mr Peter

Brackenridge, chief executive.

fell to a little more than 9 per cent (10 per cent) over the period partly because of price pressure and partly because of sterling's devaluation which affected more than 60 per cent of raw materials. Operating margins across continuing businesses fell to per cent (8.8 per

Interest charges dropped to £142,000 (£324,000), reflecting disposals in the second half

Net borrowings fell to £3.82m (£6.52m) but had climbed £500,000 since the year end. Gearing was 47.5 per cent (58.6 Unrelieved tax losses of

24.7m and planned US tax losses of 55m should ensure a tax charge of about 13 per cent for "the foreseeable future".

The interim dividend is maintained at 0.5p although carnings per share fell to 1.6p

## Enlarged Merrydown tops £0.9m

By Philip Revistorne

Merrydown, the Sugget-based cider and soft drinks maker, increased first half pre-tax profits by 23 per cent to 2932,000, helped by contribu-tions from Shloer and PLJ, the adult soft drinks acquired in

Immary. Their combined impact on revenue and profit is expected to be significantly greater in the second half," said Mr Richard Purdey, chairman. The Christmas period, which normally accounts for 45 per cent

of Shloer's annual sales, will be crucial.". · Earnings per share for tha six months to September 30 fell 8 per cent to 5.72p (6.22p) after a 3m share issue to fund the acquisitions. The interim divind is maintained at 1p.

Trading profit rose 17 per

cent to £1.25m (£1.07m) on

turnover 81 per cent higher at

Soft drinks, which also include Piermont and Sorelle accounted for 27 per cent of turnover compared with 8 per cent in the same period last

year. Shloer sales in Ireland were largely responsible for an 85 per cent rise in export reveune to £330,000.

Cider sales were affected by a slower than expected relaunch of Merrydown Original, the company's leading brand. By September, however, sales were running ahead of last year, and Original retained leadership of the Scottish take-bome market.

Sales of Premium Draught cider progressed and sales of own-label ciders accounted for 10 per cent of group revenue.

and their family interests

the issued share capital.

a combination of both.

amounting to 34.5 per cent of

Gainsborough shareholders

can receive their consideration

in cash, Court Caveudish

shares at 225p or loan notes, or

100000

## Sep hits £2m and seeks £5m

Sep industrial Holdings, the Surrey-based general engineer, yesterday reported a rise in pre-tax profits from £830,000 to 22.08m for the year to end-Sep-

The company announced a placing and open offer to raise £5.05m net to enhance the balance sheet and help fund recent acquisitions. Gearing at year-end of 54 per ceot was expected to fall to

about 16 per cent. The placing and open offer is of 17.86m new ordinary shares on a 1-for-4 basis. The shares have been placed with institutional and other investors at 30p per share, subject to a clawback by existing share-

For the past year acquisitions added £890,000 to profits and £16m to total turnover of

£37.72m (£24.04m). Earnings worked through at 2.5p (1.42p) and a final dividend of 0.45p makes a 0.8p (0.65p) total. At the interim stage a total of oot less than 0.75p was

The shares closed 2p higher

#### Shield Diagnostics makes first purchase

Shield Diagnostics Group reported losses of £160,700 from its incorporation in June to the end of September. The company came to the market in

September. The company also made its first acquisition since coming to the market with the purchase of the medical division of Cortecs Diagnostics for a total

Turnover for the period was £309,600. Losses per share were 15.07p on a weighted average of building a 150-room hotel at

number of shares during the period. However, on the basis of the number of shares in ssue following the acquisition of Shield Diagnostics Ltd

losses were 1.23p.

Shield Diagnostics Ltd reported a pre-tax loss of £297,600 (£313,700) for the six months to September 30 on turnover of £872,600 (£833,200). The shares rose 1p to 88p against the placing price of

Exceptional boost for Dakota

Dakota, the Dublin-based packaging and stationery group, swing from losses of IE2.3m to profits of LE1.85m (£1.76m) pre-tax for the year to end-Septem-

The figure took account of exceptional uet gain of ICL 11m (ICL.22m loss). Turnover of 1£21.8m (1£26.9m) included 194.67m from discontinued operations. Earnings per share improved to 6p

#### **Keystone Inv makes** £7m debenture issue

Keystone investment Com-pany, the investment trust, is issuing £7m of debenture stock

The stock will be priced to give an effective yield of 85 basis points over the gross redemption yield on 8.75 per cent Treasury stock 2017. The stock will be payable in

full on December 6 and interest will be payable semi-annually in arrears on April 1 and October 1 with a short first coupon to April 1 1994.

Stakis in £6m airport venture

Stakis, the hotel and casino group which returned to profit last year, is to spend 28m on

Edinburgh airport, its first con-struction for 3½ years and the first to be built at the airport. It will be huilt in partnership with BAA, the airport's opera tor, which will lease the land to Stakis and take a percentage

#### Second HGSC asset value 98.94p

Net asset value per ordinary chare of the Second HGSC Index Investment Trust stood at 99.3p at September L That was an improvement of 4.1p since July 8 when the company completed an offer for subscription and placing.

By end-September the figure had slipped to 98.94p. For the period May 7 to September 30 after tax revenue amounted to £133,084, equal to earnings of 0.53p.

#### EFM Income Tst net asset value up

EFM Income Trust reported a net asset value of 56.8p per share at October 31, up from 45.9p at end-April and 37.7p at

end-October 1992. Net revenue for the half year to end-October amounted to £404,000 (£361,000), equivalent to earnings of 2.7p (2.4p) per share. A second interim dividend of 1p makes 2p (2.4p) so far this year.

#### James Latham back in black with £0.6m

James Latham, the timber importer and building materials merchant, swung back into the black in the six months to end-September with a pre-tax profit of £598,000.

At the March year end there was a deficit of £2.2m, principally arising from a £1.89m exceptional charge, although at the interim stage of that year the company reported a profit of £54,000.

Turnover for the latest six months amounted to £35.1m. against £21m - including £1.39m from discontinued

operations - last time. The interest charge fell to £497,000 (£616,000) and tax took 2160,000 (nll). The interim dividend is maintained at 1.5p from earnings of 7.91p (0.29p).

#### Hotel side boosts **Daniel Thwaites**

Daniel Thwaites, the brewer, wine merchant and public house and hotel operator, lifted pre-tax profits by 30 per cent from £2.44m to £3.17m in the helf year to September 30. The increase stemmed mainly from the hotel substdiary. Shire inns, the company said.

Turnover rose to £38m (£35.7m) and the pre-tax figure was after a £729,000 loss on the sale of properties. Earnings per share advanced from 8.3p to 9.9p and the

interim dividend is stepped up to 1.2p (lp). The company's shares trade under Stock Exchange Rule

#### Simon in sale talks Simon Engineering is in talk's with the Western Company of

North America for the sale of

Unichem International. Houston-based Unichem has annual sales of about \$30m (120m) and provides speciality chemicals and technical ser-vices to the US oil, gas, refi-nery and petrochemical indus-

#### Markheath granted breathing space

Markheath, the property group 61 per cent-owned hy Adelaide Steamship of Australia and its associates, has been given a further one month extension by the DTI to delay the publication of its annual accounts for the year to end-March

#### F&C Pep net asset value at 116.9p

Foreign & Colonial Pep Investment Trust had a net asset value of .116.9p. per share at September 30, up from 97.5p at the inception of dealing in

October 1992. Available revenue for the 12 months to end-September was £1.27m for earnings of 4.32p per share. A recommended final dividend of 2.5p brings the total to 3.4p.

#### 142.2p per share by November Drayton Blue Chip net assets ahead Net revenue amounted to £47,269 in the period to end-

September, for earnings of Q.Sp Draytou Blue Chip Trust reported a net asset value of

Net revenue was virtually flat at £503,000 (£510,000) for earnings of 3.981p (4.035p) per share. The interim dividend is

83.5p per income share at Sep-tember 30, up 8 per cent from 81.5p at the March yearend.

The increase on the same tage of 1992 was 24 per cent.

Court Cavendish in £2.1m expansion

home operator which came to the market in July, has made a \$2.1m recommended offer for

Court Cavendish, the care

Gainsborough Homes. Directors of Gainsborough have given irrevocable under-

**ELECTRONICS** 

at £162,000 BCE Holdings, the USM quoted

BCE deficit

distributor of snooker, billiard and pool products, announced pre-tax losses of £162,000 for the six months ended September 30, compared with £168,000, on turnover down from £1.98m

(0.6p)

## takings in respect of their own

This announcement appears as a matter of record only, ...

SAMSUNG

## Samsung Electronics Co., Ltd.

(Incorporated in the Republic of Korea with limited liability)

US\$150,000,000

4,316,546 Rule 144A Global Depositary Shares Representing 2,158,273 Shares of Non-Voting Stock

> Global Coordinator Merrill Lynch & Co.

> > Asian Offering

Merrill Lynch International Limited Daiwa Europe Limited 🦵

Tong Yang Securities Co., Ltd. Goldman Sachs (Asia) Limited Korea Development Securities Co., Ltd. J. Henry Schroder Wagg & Co. Limited

Ssangyong Investment & Securities Co., Ltd.

Merrill Lynch International Limited Barclays de Zoete Wedd Limited Goldman Sachs International Limited

Tong Yang Securities Co., Ltd. ... CS First Boston Ssangyong Securities Europe Limited

Merrill Lynch & Co.

CS First Boston Lehman Brothers Tong Yang Securities (America), Inc.

European and Rest of the World Offering

Goldman, Sachs & Co. Salomon Brothers Inc.

INVITATION FOR INTERNACIONAL BID "PROSEGE Nº 01/93" The "Preferrura Municipal de Pato Branco" announces that the Bidding Commission Charman will receive the Eligibility and Qualification Documents and the Bid for the construction and completion of the works described in the attached Elidding Documents, duly recorded at the reception desk of the "Preferrura Municipal de Pato Branco", at 2:00 p.m. on 18 January 1994, at the Bidding Office at "Rus Caramuru, nº 271, Pato Branco, Paraná", "Siste-ma de Esgotos Senitários de Pato Branco". Brazilian and foreign bidders may participate in this Bid process, restricted to member-countries of the Inter-American Development Bank — IDB.

The works referred in these instructions will be supported by fi-

REPÚBLICA FEDERATIVA DO BRASIL MINISTÉRIO DO BEM-ESTAR SOCIAL SECRETARIA DE SANEAMENTO

PROGRAMA DE AÇÃO SOCIAL EM SANEAMENTO

PROSEGE

ESTADO DO PARANÁ

MUNICIPIO DE PATO BRANCO

nancial resources coming from the "Programa de Ação Social em Saneamento — Prosega" (Program of Social Action in Sanitation), of the "Ministério do Bern-Estar Social — MBES" which are partly or the immission of demicates social — Mises — which are partly proceeds of the loan agreements 622/OC-BR signed between IDS and the Government of Brazil, resources coming from the Federal General Budget and the corresponding financial counterpart of "Prefeitura Municipal de Pato Branco", according to the Budget Resolution. Nº 1.172 de 26/11/92". A complete set of bidding documents may be purchased at the

ura Municipal de Pato Branco, Rua Caramuru, 271", Irom the publishing in ONU ("Organização das Nações Unidas") this in-

wration on, at working time (Monday to Fridey from 8:00 to 12:00 a.m. and 2:00 to 5:00 p.m./ until 10 days before the presentation of the Documents and Bids, upon payment of CRS 60,000,00 for Pato Branco, 28 de outubro de 1993 ai DELVINO LONGHI - PREFEITO MUNICIPAL Eng. ROBERTO ZAMBERLAN

Presidente de Comussão de Licitação

COURSES

UNIVERSELY OF BRISTOL MSC COURSE IN DEVELOPMENT ADMINISTRATION & PLANNING:

ed on the course include: Industrial & Agricultural De

Policy & Planning, Ovvelopment Figuriage, Flatteing Modelet, Regional, strongl & Internstitutal Policy Flatteing, Implementation of Plans & Projects, atomive Courses of 4 to 1.2 weeks part-time two years, Fall-time one year. out are invited for the 1994-95 academic year. etion & application forms, please

> Ms Zabeda Aawar MSc Course Secretary cut of Social Policy & Social Plans University of Bristol 8 Woodland Road BRISTOL BSS ITH Fat: 0272 288578

**LEGAL NOTICES** IN THE HIGH COURT OF TUSTICE

No STREET OF REWILL SYSTEMS IN THE MATTER OF REWILL SYSTEMS FURLIC LIBETED COSTRANY ENTHE MATTER OF THE COMPANIES ACT 1988
NOTICE IS HEREBY GIVEN that the outer of the High Court of Justice (Chancery Divelon) dated 17th November 1973 confirming the reduction of the Share Premium Account of the drove amond company by the sam of 27,256,020 19th was registered by the Registers of Companies on 19th November 1975.
DATED this for 50th day of November, 1970.
Levell Where Durrant, 65 Holborn Visitant, Loudon ECLA 207.
Solicitors for the share natural Company

Notice of Administration Order ALETTED CONSTRUCTION UK LENGTED Regulated number 2496236. Using of Injunese: Countraction. mete: 15 No

COMPANY NOTICES

GENCOR LIMITED ANNUAL GENERAL MEETING The 94th annual general meeting of the sembors of Genere Limited will be held to the boardroom, growns from, Union, Corporation Society, 24-75 Namical Society, Johnson Society, John St. Land. Holdons of share warrants to bearer tary could copies of the annual report from the office of the Loadon Secretaries, 30 Ely Place, Loadon ECIN 6UA.

per pro. Geneor (U.K.) Umbred London Secretaries er 1993 L.J Basers

30 November 1993

Transforming the banking sector is one of the most daunting tasks: Page III

#### FINANCIAL TIMES SURVEY

## VIETNAM

Tuesday November 30 1993

A guide for the investor on how to do business in Vietnam: Page V

Free market reforms have led to a rush of business activity with Hanoi aiming to double GDP in the current decade. But with growth comes the threat of corruption, environmental destruction

and a widening gap between rich and poor, writes Victor Mallet

## Too much, too soon

ha Vietnamese are the check-out queues were one enjoying themselves, and a half hours long.

After half a century of There is, as Vietnamese offiwarfare and dour communist rule, the country's 70m inhabit-ants — urban and rural — have responded enthusiastically to the free market policies pro-gressively introduced by the government over the past

1 tops fog

Bill deficit

ことのより組

Ltd.

seven years.

With an average per capita gross domestic product of \$220 a year, Vietnam is still one of the world's poorest countries, hut the traits of a modern coneumer society are emerging everywhere from the trading towns on the Chinese border in the north to the beach resort of

Vung Tau in the south. In the once sleepy capital Hanoi, foreigners and Vietnam ese are huilding hotels, office hlocks and private bouses, replicating the construction and husiness boom which is already well under way in Ho Chi Minh City, the southern commercial centre previously known as Saigon.

The public tennis courts in the central port city of Danang are packed with eager if inex-pert players, in nearby Hue, students are contentedly drinking beer in bars which opened

only months ago. In Ho Chi Minh City, a new supermarket was forced to close its doors after only four days because it could not meet the demands of its customers:

cials admit, an ugly side to Vietnam's transformation. Corruption, greed and prostitution have flourished in the liberal economic climate. But the inciplent urban prosperity that allows the wealthier Vietnamese to buy new motorcycles and build new homes is underpinned by solid and nationwide economic achievements since the communist government launched its policy of doi moi (renovation).

Ruthless restriction of the money supply has forced inflation down from more than 700 per cent in 1986 to less than 10 per cent today. Foreign inves-tors have proposed \$6.8bn of projects in the five years since the first foreign investment law was enacted. Exports including rice, textiles and seafood - have been growing at an average 30 per cent a year in the same period. The economy grew by 8.3 per cent last year, a performance which will almost be matched in 1993.

Vietnam reacted nimbly to the collarse of communism in eastern Europe, shifting the focus of its trade away from the former Soviet bloc countries to new partners in Asla and the west, According to the trade minis-

try, all of Vietnam's light multilateral aid for Vietnam industrial exports went to the from the World Bank, the

east bloc in 1988. Last year the figure was 4 per cent. Most remarkable of all, the first stage of Vietnam's shift from central planning to the export-oriented industrialisation policies that have been so successful elsewhere in Asia was achieved with hardly any assistance from foreign donors, It was only in July that the US withdrew its objections to

International Monetary Fund and the Asian Development

> The US bilateral economic embargo dating back to the communist Vietnam War victory in 1975 remains in force, but the boycott is now at least as frustrating for American companies as it is for Vietnam. So much foreign aid money will flood into the country -

Vietnam was promised \$1.86bn at its first donors' conference omy to work properly.

in Paris this month - that the management skills of the government's Soviet-educated ministers and bureaucrats will be severely tested.

The government has set a target of doubling Vietnam's GDP in the current decade, and it estimates that success will require a total investment of about \$40bu - of which half is supposed to come from domestic sources and the remainder from foreign direct investment and foreign aid.

Vo Van Kiet, the prime min-tster, readily acknowledges the enormity of the task that lies ahead. In an introduction to the Vietnamese document prepared for the donor conference, he lamented the decline of social services and the severity

of unemployment, He also emphasised the importance of repairing the country's battered infrastructure and spoke of the need to strengthen the legal system in order to allow the market econ-

"There is still much for us to do and there remain many dif-ficulties to overcome in order to carry on with our renovation programme and to realise our socio-economic goals," be

Mr Kiet and his reformist allies are operating in a difficult political environment. Advocates of reform say social services were already declining under the bankrupt policies of the past and that the switch to a market economy - bringing with it the benefits of foreign ald and investment - was made only just in time. The

nourished. The inevitability of reform, however, has not prevented many Vletnamese from resenting the rampant corruption that has accompanied economic growth or from complaining that the good aspects of communism - free educa-

tion for example - have been

World Bank, for example, esti-

mates that half of Vietnamese

thrown out with the had. Bereft of a coberent ideology,

now that it has abandoned the command economy, the Communist Party of Vietnam is likely to find it increasingly difficult in the years ahead to justify its monopoly of power. Indeed, the central govern-

ment is already heing chal-lenged by Buddhist monks in Hue demanding greater free dom of religion, and by local governments around the country eager to exercise their own authority and to keep for their own flefdoms a share of the money generated by investment and economic reform.

One of the hardest tasks for

Hanol on the domestic front children under six are malwill be to nurture the emerging Vietnamese private sector when both local and central government agencies are accustomed to supporting the state enterprises which fall under their control.

The privatisation programme has stalled Returning Viet namese exiles, a potential

source of capital and husiness skills, are often surprised after many years abroad to find that they are greeted with suspicion by long-lost acquaintances.

The hanking system is in urgent need of reform and a series of draft laws relating to husiness - including those on bankruptcy, the resolution of contract disputes and the pro-motion of domestic investment

- are queueing up to be passed by the National Assembly at its next meeting in December Several will have to wait until the subsequent session in June 1994, according to parliamen-tary officials.

With so many basic tasks still needing to be performed, talk of establishing a stock market in Ho Chi Minh City is being dismissed by the govern-ment and by foreign bankers

On the foreign policy front, Vietnam continues to have a difficult relationship with its powerful peighbour China. Beijing periodically sends ships into areas that Vietnam says are in its territorial waters. including zones set aside for oil exploration.

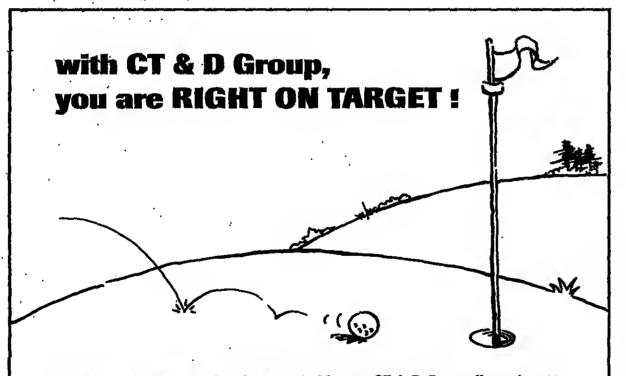
This is one reason why Vietnam is anxious to restore full diplomatic ties with Washington. The US is regarded as the only plausible counterweight to Chinese expansionism in the

Given the difficulties Vietnam faces, it is enough to hope that the country will be able to emulate easf Asia's "dragons" and achieve sustained economic growth into the next

century. To expect Vietnam to go further and avoid the worst tendencies of its fast-growing neighbours - including corruption, environmental destruction and a widening gap

between rich and poor - would probably be over-ambitious. "Some people talk about the dragon," says Do Duc Dinh, a Vietnamese economist, "hut I think it may take three or four decades to come to that, and it depends on our efforts."

In the eyes of some of the country's more thoughtful citizens, the Vletnamese are enjoying themselves too much,



As one of the largest and first investors in Vietnam, CT & D Group offers unbeatable investment and trading opportunities in a secure and hassle-free climate. With our blend of experience, innovation and initiative, CT &D Group will help you cut through the red tape, and understand the ins-and-outs of the rapidly developing business environment in VN.

#### Major Activities of CT & D Group in Vietnam:

- Ho Chi Minh City South: A 2,600 hectare urban development scheme that includes a New City Center / Central Business District and an 18 km roadway project. ( Developer: the Phu My Hung Corporation, a joint venture company between CT &D and theVN government.)
- Tan Thuan Export Processing Zone: The first licensed export processing zone in VN, the TTZ is a 300 hectares free trade zone for light, non-polluting industries to manufacture/operate.
- · Hiep Phuoc Power Plant: The first and only privately owned power plant in VN, Hiep Phuoc is a 675 MW oil-fired thermal power plant complete with own power grid and transmission lines to provide electricity to the greater HCMC area.
- · Kien Tai Wood Pulp Plantation: 60,000 hectares of eucalyptus trees for purposes of pulp/paper processing.
- Warson Overseas: As the exclusive servicing and management arm of CT & D Group in VN, Warson provides buyer, supplier, distributor and general trading information regarding consumer products, and industrial machinery and equipment. Warson also provides consulting services in business licensing, market surveying and strategy, translation, and general information services.

For more information, please contact Gayle Tsien / Iris Ting at CT & D Corporation 18th fl., # 4, Sec. 1, Chung Hsiao W. Rd., Taipei, Taiwan, R.O.C. Fax: 886-2-3881116 Tel: 886-2-3119933

# For banking in Vietnam. ANZ has all your needs covered.

For all your financial needs in Vietnam, ANZ Bank can help you.

In Vietnam, whether it be eash from your Visa eard, a business loan, a cheque book or foreign trade services, we have the products you need.

Offshore, we are active in advising investors and arranging finance for exporters of services and capital goods going

Whether in Vietnam or most uther Asian countries, ANZ can meet your banking needs.

We're in more than 19 Asian countries and over 40 countries worldwide, and that means we can serve you in more places than many other international banks. So you work with one bank no matter where you're doing business.

HANOL BRANCH 14 Le Thai To St Hanoi, Vietnam Tel: 84-4 258 190 Fax: 84-4 258 188/9

HO CHI MINH CITY Representative Office 2nd Floor, 4 Ho Tung Man St Ho Chi Minh City, Vietnam Tel: 84-8 209 319 Fac 818 299 316

ANZ Bank

Despite impressive gains, sustaining economic growth will be hard, says William Keeling

## The capitalist spirit is unleashed

The large number of state

credits supplied by the trea-sury and the state-owned

Donors say the government must also improve its handling

of infrastructure projects. The

north-south high voltage power

line being constructed is likely to exceed its planned \$500m

cost by about 25 per cent. The

World Bank estimates that

between 1993 and 2000, Viet-

nam needs to invest a further

\$2.6bn in the power sector and

\$2.8bn in roads, ports and

inland waterways to maintain

On a more positive note, the

US decision to lift its objection

to foreign funding allows Viet-

nam to call on western donors

to help finance these projects.

The IMF in October approved

credits totalling \$233m, while

in early November the World

Bank and the Asian Develop-

ment Bank gave the green light to six projects with loans

The World Bank estimates

Vietnam will require aid dis-

the nace of development.

t would be a brave person, and probably foolish, to deny that Vietnam will be among the world's fastest growing economies over the next few years. The government's 1986 decision to abandon the command economy has unleashed the country's capitalist spirit.

While Vietnam remains extremely poor - the government estimates annual per capita income at \$220 - growth in gross domeetle product between 1989 and 1992 averaged 7 per cent. Growth is likely to be sustained this year and rise to more than 8 per

economy has profoundly affected the lives of Vietnam's 70m people. More than 1m workers and soldiers have been removed from the public sector and over a third of the country's 12,000 state enterprises have been closed or merged instead of experiencing an east European-style economic col-lapse, Vietnam has responded

Exports have grown from \$1.3bn in 1988 to \$2.5bn last year, while the trade balance improved from a \$350m deficit to a \$61m deficit in the same period. This was achieved in spite of the collapse of the Soviet Union, on which Vietnam had relied for aid and as its principal trading partner.

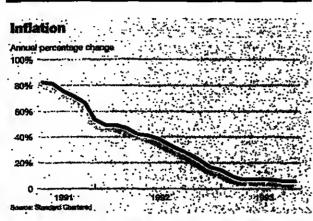
In the shops, more food, ciga-rettes and beer are available than at any time in the past two decades as well as a plethora of consumer goods, from video recorders to cuddly toys. Perhaps most remarkable. this has been achieved in a period of tight monetary control - inflation has fallen from

70 per cent in 1990 to an annual rate of below 10 per cent - and without financial help from donor agencies such as the International Monetary Fund (IMF) and the World Bank: the US had blocked multilateral aid to Vietnam until July this year.

Instead, the principal source of foreign investment has been from foreign private companies eager to benefit from a relaxed investment climate and low wages. Since 1988, more than 780 projects worth \$6.8bn have been approved, with actual investment totalling \$2bn.

Vietnam is also diversifying

	Number of projects	investment approved (\$m)	investment Implemented (Sm)
1988	37	384	
1989	69	539	200
1990	108	600	200
1991	150	1,229	200
1992	198	1,937	300
1993	133	1,551	500
(to June)			
Total	895	8,214	1,400



leading products, crude oil and rice, accounting for less than enterprises remains a problem. half total exports last year. Accounts supplied by the Exports of seafood, textiles, enterprises show a third as shoes and agricultural goods profitable but accounts are such as rubber and coffee are unreliable and profitability often depends on subsidised

Against this background, it might be churlish to suggest that big obstacles exist to the government's target of dou-bling GDP by the end of the

The greatest danger to liberalisation is that government officials may object to the results of the new policy

century, Nevertheless, while gains to date have been impressive, Vietnam may struggle to keep its development on track. Of particular concern is the

banking sector. Vietnam needs to avoid the mistake of other developing countries, such as Ghana or Indonesia, which restructured their banking systems too late. The issue of the sector's had debt, undercapitalisation and poor manent must be a priority in the development process, according to foreign investors.

bursements of about \$550m a year in 1994-95, rising to \$10m by 1997 if its high level of growth is to be sustained. This level of disbursement, given the lead-time to initiate projects, will require far higher commitments, hence the November 10 decision by donors to pledge Vietnam \$1.86bn for the year ahead.

Donor finance alone, however, will not guarantee economic growth. Much willdepend on the government's. ability to absorb the aid efficiently and avoid the problems of, say, Bengladesh, where a backlog of projects exists. The machinery of government, which administers an annual budget of about \$1.80n, will be stretched by the influx of sid.

Donors are likely to demand a more transparency in the government's finances. Important areas of revenue, particularly from oil exports, are not yet fully revealed in the bud-

But the greatest danger to economic liberalisation is that govarnment officials may bject to the social and political results of the new policy.
The freeing of the economy has already increased friction

between the Hanoi central government and provincial governments, particularly in Ho Chi Minh City. Provincial governments are modifying Hanoi regulations in areas such as foreign investment and taxaion to facilitate greater local

The move toward a free market has also left a grey area between what is a state-owned and what is a privately-owned company. Local economists say many enterprises officially owned by provincial governments are now, in practical terms, operated for the benefit of their managers and employ

Such companies may set un autonomous subsidiaries and may have three sets of accounts: one for the government - to which a nominal sum might be paid each year another for the workers and their profit-sharing scheme, and yet another for the manag-

What appears to be happen ing is a slow metamorphosis of state-owned companies into private sector businesses, except that the legal ownership structure remains unclear and

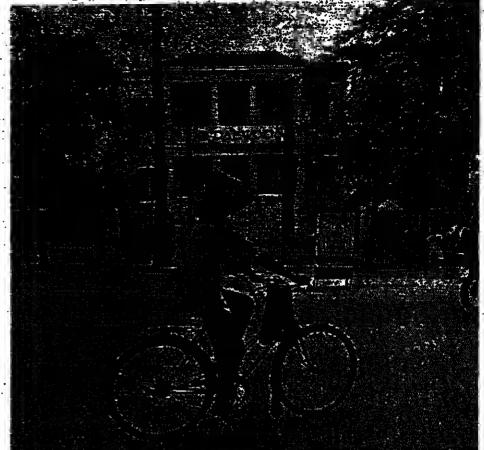
to shake off their Soviet-style accounting systems - put more emphasis on turnover than on

There are reasons to be alarmed by this process. Of immediate concern is that the close relationship between the management of these "stateowned companies and local government is likely to suppress true private sector entrepreneurs.

A forthcoming law governing domestic investment may ease this but investment data shows that genuine private companies remain almost exclusively small-scale and only a few sectors, such as retailing, have seen rapid growth. Most foreign investors form joint-ventures with local companies but of the 780 investment approvals granted since 1988, only seven have involved private Vietnamese companies. Of these, three have been

Of the 200 priority projects drawn up by the government to attract foreign investment ranging from food processing to heavy industry - none of the proposed Victnamese counterpart companies is private

Replacing the command economy, therefore, is an economic system which is far removed from the free-market ideal, with a relatively small number of politically influenwhich appear to be well-run dominating important business



sectors; the hetel industry, usually controlled by city or provincial people's committees, is one promisent example.

The government; which remains Communist in name, may struggle under the new system to achieve political objectives such as an equitable distribution of wealth. The lesson from Indonesia, for instance, is that politically influential companies are reluctant tax payers and tend to heard their riches while nariding business favours. An impure free market sys-tem would also tend to localise

wealth. Hanoi and Ho Chi Mink may prosper, but other intian centres such as Hue and Danang would fail further behind On the macro-level, try to bridge the gap".

feed through to slower economic growth. Neither is it the system envisaged by the Vietnamese officials who have backed the mova to a free-market economy. As one official noted, are enjoying ourselves too soon, importing luxury cars when the people in the rural areas are still poor. We must

Party membership is no longer seen as the only path to prosperity

## Communism losing its lustre

hair eyes flicking rest-lessly to and fro, the plainclothes policemen watching the Buddhist monks at the Linh Mu pagoda are easily identified among the for-eign tourists and Vietnamese souvenir bawkers on the banks of the Perfume River.

They are watching with good reason. in May, the dozen monks at this pageda on the outskirts of the old imperial capital of Hué were at the centre of the most serious threat to the authority of the Viet-namese Communist Party for

The trouble began when a man committed suicide at the temple by dousing himself with petrol and setting himself to the Unified Buddhist Church which has long resisted incorporation into the official church sanctioned by the gov-ernment, said the dead man was a devout Buddhist; the

authorities said he had prob-lems with his wife. When Thich Tri Tuu, the abbot, was taken away for questioning about the incident, about 1,000 people staged a demonstration on a bridge in the centre of flue. A government car was overturned and set on fire before the security

forces dispersed the crowd, Four monks, including the abbot, were among those subsequently arrested. They were sentenced to 34 years in Jall at a trial in November, according to news agency reports from Hanci. The unrest appears to have spread from central Viet-nam to the south, and the head of a pagoda near Vung Tau has also been arrested.

There is no freedom of religion," said one of the grey-robed monks at the Linh Mu pagoda recently, "We are try-ing to develop Buddhism among the people, and most people are Buddhists, so the government is scared Buddhsm does not fit in with Marxism-Leninism ... It is hard for both Catholics and Buddhists." Supporters of the govern-ment and western diplomats say the monks have links to south Vietnamese anti-commu nists. Yet it was from this pagoda that a monk went to Saigon (now Ho Chi Minh City) in 1963 to perform a much pub-

protest against the persecution of Buddhists by Ngo Dinh Diem, the South Vietnamese president then confronting the Communist north. Opinion is divided as to the seriousness of the threat to the government'e authority posed by the Hué demonstration. The rise of religious feeling is certainly regarded as more significant than the feeble anti-communist plots organised by dissatisfied south Vietnamese living in exile in the US that

are occasionally uncovered by

licised act of self-immolation in

the government. The interior ministry and the security forces maintain a tight grip on the country. Asked about the demonstra-tion, a Hué student said: "The people had a fight with the police. The police won. They took photographs to make arrests. If anyone talks about the incident they go to jail."

in the countryside, where four fifths of Vietnam'e people live, the party's control has been loosened by the collapse of agricultural co-operatives and the liberalisation of the rice trade. In the towns, which have an estimated 3.5m memployed, but no organised opposition to the government has

emerged.
"I don't see the Communis Party fading away in the Soviet sense, says one west-ern diplomat. "It'e secure as long as it controls the army. There is no urhan intellectual

Although it controls the levers of power the Communist Party, like floundering

dissidenca." Although it controls the nist Party of Vietnam (CPV) like communist parties every-where - is floundering ideologically. Having adopted free market economic policies, it is communist only in its name and its political structure.

By emphasising nationalism and pointing out that the party successfully rid Vietnam of the French and the Americans in the 1950s and the 1970s, the CPV can claim a measure of legitimacy and the support of much of the older generation for the one-party state.

But half the population is under 20, and young men and women have no memories of French colonialism or the more recent war against the US and its south Vietnamese allies. sought to boost its dwindling popularity among the young by promoting such activities as a beauty pageant in the opera house and a beer festival in the Vietnam-Russia Friendship Palace, but with the economy

In Hanoi, the CPV has being liberalised to allow the establishment of foreign and local private companies; membership of the party is no lon-ger seen as the only path to

prosperity and influence. The party's reputation. neanwhile, has been tarnished by the increased corruption that has accompanied economic reform and the leadership's inability to control its When the communist people's committee in Ho Chi Minh City

closed 44 of the city's 58 night clubs this year, it emerged that the 14 remaining open were owned by the committee itself. Whereas many young Viet-namese either ignore the party or want it to loosen its grip, its ageing supporters complain that some of the good aspects of communism - free educathrown out with the bad.

Perhaps the best argument that the CPV makes to justify its continued dominance is: that it can ensure stability dur-ing this hectic period of economic transformation. Vietnamese leaders say that the communist states of eastern Europe. were wrong to allow democratisation before reform-ing their economies, since the resulting anarchy made the

introduction of coherent reforms all but impossible. Most Vietnamese and foreign business executives agree; the Vietnamese economy is growing fast to the benefit of the whole population.

The disputes in Vietnam about the direction and pace of reform will be discussed at a forthcoming party conference, and the fact that the meeting has been put back from December to January indicates the intensity of political manoeuvring within the party's ranks. Coming in the middle of the

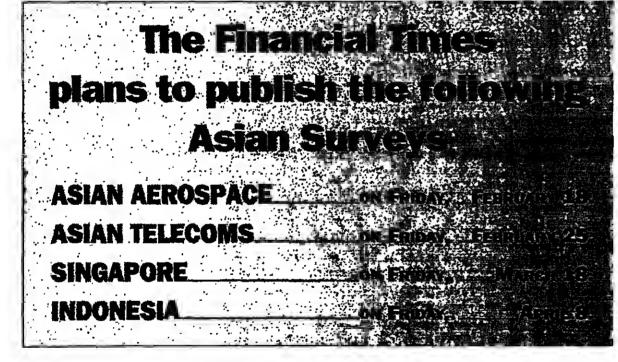
The prime minister must steer a course between those favouring

hardliners fearing change

CPV's seventh five-year congress, this mid-term review is the first of its kind in Vietnam, and etudents of communism have noted that similar conferences heralded the collapse of communist parties an the arrival of democracy in eastern

In the absence of any serious contender for power, the immediate effects in Vietnam are unlikely to be so drastic. But Vo Van Kiet, the prime minister who is closely associated with the reform programme, will have a struggle on his course between those who favour faster liberalisation and hardliners fearful of change.

Victor Mallet

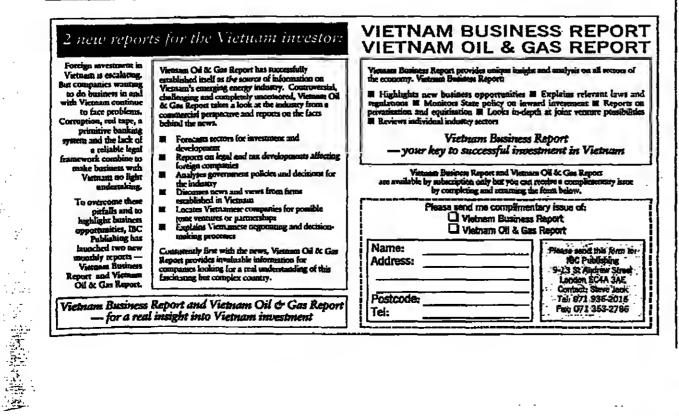


For further information contact:

SARAH PAKENHAM-WALSH **OF TOLAND HEALEY** Hong Kong Office Tel: (852) 868-2863 Fax: (852) 537-1211

SAMANTHA TELFER **London Office** Tel: 071 873-3050 Fax: 071 873-3595

## **FT Surveys**





(SDR 60,400,000) Bridge Financing Facility

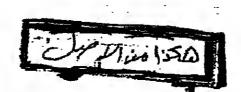
September 22, 1993

. Co-Lead Manag The Export-Import Bank of Japan Australia and New Zealand Banking Group Limited BHF-BANK Crédit Lyonnais **ABN AMRO Bank NV** 

Bangkok Bank Public Company Limited Banque Nationale de Paris Commerzbank A.G. Société Générale Standard Chartered Bank

Commonwealth Bank of Australia United Overseas Bank Limited Banque Indosuez National Bank of Kuwait S.A.K. Public Bank (L) Ltd **Grédit Industriel et Commercia** 

This announcement appears as a matter of record only





ANZ's Hanoi branch: foreign banks are deterred from lending more to se the legal system allowing recovery of bad loans is inadequate

THE SHARE STATES

its lust

THE STATE

- \*\*\*\* T

10.00

19 (00)

5 (B)

11.55

.. . 2

11.11.12

. . . . .

reconfiner

Transport

The State of States

s mor a coursed

فيهيئ فالمسائمة بهدات

K OF VIETNAM

-. • •

KEY FAC	TS	
Area-	33	0.341 sa km
Population	,	69.1m
President		Le Duc Ant
Prime minister		Vo Van Kier
Minister of finance	·************	
Currency		Dong
Currency	\$1=9,750, 199	2 \$1=11,500
Antes a safe and a safe and a safe a proper point of a safe and a safe and a safe a safe a safe a safe a safe a	1993 lates	st \$1=10,876
ECONOMY	1991	1982
Real GDP growth (%)	6.0	8.3
Sectoral share of GDP		
Agricultureinclustry	38.0	38.2
inclustry	22.4	24.6
Servicea	39.6	37.2
Annual average growth in		
Consumer prices (%)	68.1	17.5
Industry value added (%)	8.8	10.9
Agriculture value added (%)	2.2	6.3
Services value added(%)	8.3	. 8.6
Money supply (M2)	83.5	17.4
Government finances		
Government expenditure 1,	15.6	20.3
Budget deficit 1	-2.5	-3.8
Total external debt (\$m)	15,311	15,400
(Rouble component converted		
at a rate of Rbs2.55.\$1)		
Trade		
Current account balance (\$m)	-133	-8
Trade balance (\$m)	-64	-61
Main tracing partners	Exports	Imports
Japan	35.0	14.8
Hong Kong	6.0	30.8
Thalland	3.2	. 2.5
Germany	9.5	1.7
Indonesia	3.8	5.1
Malaysia	5,1	1.6
France	3.7	7.1
EU.:	17.1	12.6
(1) As a % of GDP (2) % shares of trad		

BANKING

## Resources lie thin on the ground

inflationary pressure, it does

so principally by reducing cash

in circulation, leading to a pau-

banks' customers demand a

guarantee that payments made

through the banking system

can be withdrawn in cash.

This can only be guaranteed

hy passing the transaction through the SBV which has the sole authority to issue

"cash-cheques". But the SBV

will not issue a cash-cheque unless the bank from which

the money is being transferred

delivers to the SBV the pay-

ment in physical notes. "Some

times, we cannot understand

the way the State Bank (of

Vletnam) does business," com-

the government believes senior

SBV officials, in spite of recent

bank reforms, remain ignorant

of bow banks operate in a free-

market economy. His advice

for further reform, given with

a wistful smile, is, "Pull out the governor (of the SBV)...

doesn't know banking"

Although other bankers point to the excellent record at

More domestic credit is

needed but Vietnamese

banks lack the basic

skills for the task

controlling inflation of Cao Si

Kiem, SBV governor, severe

inadequacles in the sector need

The four state-owned banks

which at the end of 1992 bad

36,000bn dong in assets, are

burdened with non-performing

loans and are poorly capital-

Donor officials say the pro-portion of the state-owned

banks' non-performing loans

has fallen from about 30 per

cent of their portfolios in 1990

to about 12 per cent, after a concerted government drive to

make state corporations cur-

are poor. More non-performing

The banks' capitalisation is

no better. A recent World Bank

report estimated the state-owned banks' capital levels at

The banks would require an

them up to international capi-

tal adequacy standards, and a

increase lending. Economic liberalisation

should go hand-in-hand with a

relatively fast expansion of

A recent World Bank report notes: "There is as yet no loan

the foreign and joint venture banks), nor even in the think-

ing of the regulatory authori-One step would be for for-

the domestic banks' skill levels have been improved. However,

there is an aversion among

The SBV faces a stiff

challenge to keep pace

skills for the task.

deht may come to light.

to be confronted.

plains one local banker. A former financial adviser to

Understandahly, many of the

city of notes.

The elegant facades of the commercial bank buildings in Ho Ghi Minh Gity and the imposing exterior of the State Bank of Vietnam (SBV) in Hanoi provide the veneer every banking system requires: stability, respectability and wealth.

But it is not an image that springs to mind for most Vietnamese. Under the former Gommunist command economy, individuals were unable to bold bank accounts. Neither were private companies, as the concept of a private company was not tolerated.

Individuals and private businessmen either transferred their wealth into durables, such as gold, kept it in cash or deposited it with unauthorised. and often unscrupulous, financial businesses.

Transforming the banking sector so that it can sustain and facilitate a market economy is among the most daunting of the government's tasks. The first step has been to hive off the separate lending divisions of the SBV into four

state-owned commercial banks

- the Industrial and Commercial Bank, the Vietnam Bank for Agriculture, the Foreign Trade Bank and the Bank for Investment and Development. The SBV, therefore, now acts as a central bank, in charge of the sector's supervision and as facilitator of the government's

monetary policy. Ten foreign banks have been licenced to open branches, two joint ventures between foreign and domestic state-owned banks established and more than 20 "shareholding" banks created. The latter have a mixed ownership of state and private companies, co-operatives and individuals. Although most shareholding banks are majority owned by state institutions, busine regard them as private banks carrying no sovereign guaran-tee in the event of failure.

While private companies and individuals may now hold accounts, a director of a shareholding bank sounds a note of caution. "The banking system still isn't up to the development of the economy. It's the main obstacle," he says.

wide branch network and bankers have yet to win the confidence of individuals and businesses. The scepticism of potential customers is justifiable, notes one local banker, who says banks face difficulties in performing the most basic transaction - allowing customers to withdraw cash.

The fault, be explains, lies in the government's policy of using physical cash as the main tool of its monetary policy. As a result, when the government wants to dampen

long with its commitment to a free market, investors might have expected the Vietnamese government to undertake a programme to privatise state-owned enterprises.

But after expressions of intent in 1991 progress toward privalisation has been piecemeal. Companies that investors might wish to buy are not for sale and many of those on offer have been withdrawn.

The tale of two companies in Ho Chi Minh City - Salgon Brewery, Vietnam's dominant beer producer, and Legamey, a garment and footwear manufacturer - provide an insight into the operations of state industry and the obstacles to privatisation, or "equirisation". as the government call it.

Among the most striking aspects of economic liberalisation has been the energetic response of some state companies to greater competition. Production at Saigon Brewery owned by the Ministry of Light Industry, has risen from 72m litres in 1991 to a forecast 110m litres this year, accounting for one-third of Vietnam's total beer production.

"It's the difference between a centralised economy and a market economy," says Ngac Van Giau, the brewery's vicedirector. It is also, he admits, the result of a \$23m programme to refurbish the plant.
A bottling line purchased from Germany and new fer-

mentation equipment have reduced losses from 12 per cent of production to 1 per cent. The company financed the refurbishment from internal resources and is one of Vietnam's largesi tax payers, Mr Giau says. Saigon Brewery expects to pay the state 542bn dong in taxes this year, up from 165bn dong in 1981. How profitable the company

ls remains unclear. Its accounting system carries the legacy of the command economy with the emphasis on turnover. Salaries are paid according to production, not profitability.

Nguyen Xuan Oanh, a pri-vate sector economist, says the accounting method of state enterprises "is all wrong. Depreciation has never been taken into account". Nevertheless, most husinessmen agree that Saigon Brewery would bave to pour beer down the drain to lose money.

The industry bas, not surprisingly, drawn the attention of foreign investors but the government has limited entry to the sector, described by But local bankers point out that the accounts of state owned banks and artistic point out that the accounts of state owned banks and artistic point out that the accounts of state owned banks and artistic point out the State Committee for Co-operation and Investment (SCCI), Nguyen Mai, vice-chairman of



ed Legamex's factory in Ho Chi Minh City: prospects for privatisation are receding

William Keeling looks at obstacles to privatisation

## Progress is patchy

While some early applicants received SGGI approval, further investment in the beer industry must now be vetted by the prime minister's office. As for Saigon Brewery, it is not on the list of companies waiting to be privatised. As Mr Giau explains, privatisation only "applies to husinesses which are not profitable".

State employees in inefficient companies oppose privatisation for fear of losing their jobs

Legamex, on the other hand, stated for privatisation and is touted as one of Vietnam's best managed state enterprises. Yet after two years of wearing the For Sale tag, the company remains in state hands and the prospects for privatisation are

In a sprightly piece of research in 1991, Credit Lyonnais Securities described Legamex's garment operations as a "Win-Win" husiness, Since then, the company, which is owned by the Ho Chi Minh City Department of Light Industry, has suffered a serious setback with a tight export quota being placed on its principal product, jackets.

1.7m jackets to Germany; this year its quota for the entire European Union has been set at 475,000 pieces. The company, which also has embroidery and leather goods divisions, bas tried to switch production to shirts but rows of sewing machines lie dormant.

"When the government informed us of the quota, we were very upset," says Nguyen Thi Son, Legamex chairman. The company, which had not anticipated the quota restrictions, found itself with excess stocks of materials and finished products.

Mrs Son is optimistic that the company will be privatised hut problems remain. The most immediate is negotiation over a \$12m seven-year loan, taken in 1991, from International Investment Bank (IIB), a consortium of 12 banks from former eastern bloc countries.

Mrs Son believes a repayment of 40 cents to the dollar could be negotiated. But Legamex is one of six state companies with ITB loans and the government wishes to negotiate collective repayment at 20 cents to the dollar, she says. Legamex's interest payments on the loan totalled 12hn dong last year, reducing profits before tax to just 2bn dong on turnover of 126bn dong. The

figures this year. Given the small profit, for-

eign investors "are not interested in taking over the entire company. They're interested in taking over bits", leaving the loss making divisions in state ownership, says one European banker. But the biggest obstacle to

privatisation may be political. A recent press campaign, backed by government labour unions, has accused Legamex executives of corruption and nepotism. Businessmen in Ho Chi Minh City say Mrs Son's enthusiasm for privatisation is proving unpopular with local government officials.

"Privatisation was never going to be easy in this country," a banker explains. Opposition is in part ideological some communist sentiment remains - but mostly springs from self-interest, he says.

State employees in icefficient companies oppose privatisation for fear of losing their johs. At better-run enterprises, managers and workers are benefiting from the profits - either through official profit-sharing schemes, or by means of unof-ficial payments. They feel privatisation would dilute their income. Few companies, therefore, are willing to leave the



Beta Viet Nam Fund Limited is a new fund (with assets of approximately US\$63 million) established to invest in Vietnam, principally through joint ventures with both international and Vietnamesc companies. The investment manager of the fund, Indochina Asset Management Limited, is already examining and negotiating a number of possible joint ventures for the fund, but remains interested in receiving further investment proposals from potential partners.

Suitable international partners will be companies which have already made, or are about to make, a significant commitment to developing businesses in Vietnam. Although the Fund is prepared to take substantial equity participation, no management control is sought. However, preference will be given to ventures which both generate hard currency earnings and provide a realisation route, preferably via a stockmarket listing of the international holding company for the investment(s).

Further information on the fund can be obtained from Beta Funds Limited, 3 Bolt Court, Fleet Street, London EC4A 3DQ.

Summarised proposals for joint ventures in Vietnam should initially be discussed with or faxed to Philippe Colin, Executive Director, Indochina Asset Management Limited, in Ho Chi Minh City. Telephones: (848) 231 348

905 638

(848) 290 936 Fax:



with the rest of the economy the foreign bankers to lend locally," says an Asian banker. Foreign banks prefer "to pick off the short-term stuff, the trade finance," says a Euro-pean banker. He says foreign banks would be willing to lend more to domestic business but the legal system allowing

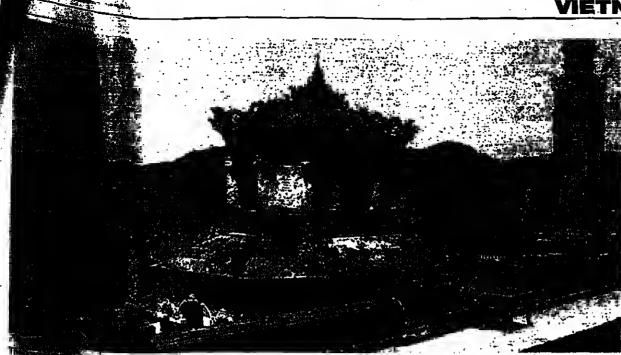
The high tax structure for banks - a turnover tax of 4-15 per cent and a profits tax of 50 per cent of net income - also makes them wary of long-term. higher risk lending. Banks are encouraged to hold 30 per cent of deposits with the SBV at negligible or zero interest rates which, being well below the banks' average cost of funds, constitutes a further tax. As a result, banks nperate on the

thinnest of margins.
The agenda, Iberefore, for those seeking to reform the banking system is over-flow-

ng. Given its staff's lack of experience, the SBV faces a stiff challenge to restructure the sector to keep pace with the rest of the economy. The scale of the task "scares the hell out of them (the SBV)," says one foreign hanker. "They know they're short on resources'

William Keeling







Mark Graham voices concern about the rush to develop tourism

## Instant dollars a threat

idly lead to the production of familiar touristic eyesores. After years of isolation, it is

Minh City and Hanoi, decent

hotel accommodation is in

Transport is made difficult

by the appalling state of roads and railways which have suf-fered from 50 years of war and

only during the past three years that Vietnam has welcomed foreigners with open arms, and even then It has directed them to a relatively small oumber of destinations such as Ho Chi Minh City, Hué, Hanoi and Ha Long Bay. Nevertheless officials claim that more than 500,000 tourists will visit Vietnam in 1993 generating more than \$200m in foreign earnings.

infrastructure to sustain tour

the immediate need for foreign exchange will overrule most of

ism in the long term.

apartment

in the to be fulfilled these afficials have in

ent years travelled widely

among neighbouring countries, such as Indland, to see the

results of south-east Asia's tourist boom. Without exception they voice concern over tourism's often negative

impact on the environment, threats of incontrolled growth around seems areas and lack of

HONG KONG

The attractions are obvious - a little visited country with a fascinating past, areas of great scenic beauty, the romance of

an Asia still living in the past and an excellent and varied cuisine. And it is cheap. neglect. A limited number of vehicles are available for hire and the public transport system creaks under the com-For the hardy traveller, prepared for the unexpected and the stimulus of exotic adven-ture, Vietnam offers vastly difbined weight of humanity and the inheritance of ageing eastern European trucks and buses ferent fare from the predictand still older vehicles left by ability of well-trodden destinations elsewhere in Asia. With the exception of Ho Chi the Americans in the 1970s. in an effort to conserve the environment and offer more

exotic destinations to visitors, the government is looking at national parks and wildlifa sanctuaries to see if they can be sensibly exploited. Some of these areas, such as Nam Cat Tien, where a small

a lowland swamp forest reserve 150km north of Ho Chi Minh City, will remain off-limits. Others, such as Cat Ba island in Ha Long Bay offer immediate opportunities for small groups intent on adventure and exploration.

Ha Long Bay has long been considered one of the world's most spectacular seascapes. Hundreds of limestone islands, reminiscent of a Chinese landscape painting from Gwailin, emerge suddenly offshore from the flat Red River delta.

dreds of small shing villages (and smugglers plying their trade between Hainan island and the Vietnamese mainland). Among the many motorised fishing vessels it is still possible to admire the graceful shape of a junk slowly wending her way through the maze of inlets and islands. For the of the islands offer pristine beaches and countless unex-

Cat Ba, the largest covers more than 150 sq km with its rugged limestone hills and

lain Simpson examines the government's plans to exploit its oil and gas fields

Part of the island is national park, home to the care colden-headed langur monkey, evergreen tropical forests and a numbered of exotic butter-

headquarters provides simple accommodation for about 80 people. Other diversions include visits to micient fish Other diversions

Although few organised tours exist to the more inaccessible parts of Vietnam, the department of ecotourism at the University of Hanci will organise small group expediernment policy of trying to

tries in the world.

The arrival of multinational hotel chains, the sale of land concessions to foreigners for the construction of golf course porant tourists suggest that

wars has deserted them -. Idyllic though Vietnam may now be, the temptations of easy wealth will ensure that today's unspoilt land will soon much too quickly. Mark Graham is a Bangkok based naturalist and business consultant who has co-authored

## A MILLION IN CASH!

Subscribe Now To

## Vietnam Investment Review

'The Weekly Newspaper'

The first English language business newspaper to be published and circulated throughout Vietnam and distributed worldwide. Vietnam Investment Review is available outside Vietnam on subscription. The newspaper is the only international business newspaper focused exclusively on Vietnam, one of Asia's most exciting emerging economies. Subscribe now and the first 200 subscribers to attach this advertisement with their cheque and send it either to our office in Hoog Kong or London before 15th December 1993 will receive a certificate that eotitles them to collect ONE MILLION VIETNAMESE DONG from our office in Chi Minh City anytime between receipt of the certificate and 1st June 1994.

UNITED STATES GREAT BRITAIN	GB£200	SUBSCRIPTION RATES	JAPAN JAPAN	
Please 1	nake cheques p	payable to VIETNAM INVESTME	NT REVIEW	LTD
☐Payment Enclosed		🚨 lavoice me		lavoice my company
Please debit my Ameri	can Express C	ard		
Number:				
Expires :		Signature		
NAME		COMPANY		<del></del>
ADDRESS				
ZP/STATE/CITY			UNTRY	
THE STORY SET		FAX		
	Return town	completed form to: The Subscription	Manager,	
Visiona Investment Re-	view Limited, 6 Tel : ( 8:	Hong Keng /F, World Commerce Centre, 11 Canto 52 1737 7179 / 7181  Fax: (852 ) 317	e Road, Tsims 0378	shatsui, Kowloos, HK.
Vietnam		London icw Lunited, 11 Grosvenor Place, Lon 44 171 223 2838 Fax: 144 171 235 54		H UK.

#### **Considering Investment Opportunities** in Vietnam?

Price Waterhouse are assisting companies invest in Vietnam through a dedicated team providing specialist services including:

- Tax effective structuring and compliance investigation and due diligence assistance
- Accounting assistance
- · Audit and business advice
- Business training
- Information systems consulting

For further information please contact Ian Wilson at:

The Hanoi Business Centre 51 Ly Thai To Hanoi VIETNAM

Price Waterhouse



Telephone: 84 4 268833 Facsimile: 84 4 261222

Tapping into undeveloped reserves As its joint oil venture with the former Soviet Union phase two, believes the higher volume of gas brought onshore date and the oil reservoir is not being properly conserved by lurches from one crisis to VietSovPetro. Indeed, Petro-

another, Vietnam is looking at ways of making more money out of its oil and gas reserves. The government's priority is to recover the gas now being flared off by ViatSovPetro, the joint venture between Hanoi and Moscow. Plans to exploit gas from undeveloped fields are also being assessed and exploration contracts will soon be let on other areas.

The Australian company, BHP Petroleum, has struck oil

British Gas believes there is a large market has not yet been tapped

in the Dai Hung (Big Bear) field it is drilling off the south-east coast of Vietnam. BHP officials say their floating production system means the find can be exploited soon - certainly by the middle of 1994.

BHP estimates recoverable reserves in the field at 7-800m barrels of oil. The company also says 2-3,000bn cubic feet of gas exists in Dai Hung. The gas from Dai Hung will not be piped out until well into next piped our until well into next year but the state off company, PetroVietnam, is pursuing ways of recovering gas from the Bach Ho (White Tiger) field, the only Vietnamese field from which oil is now being

Bach Ho was discovered by Mobil in January, 1975, but three months later the company was forced to ahandon its drilling rigs and flee the coun-try in the face of the advancing North Victnamese troops. Two years later, Vietnam estab-lished its own state oil com-

pany, PetroVietnam.
in 1981, the state company
set np a joint venture with the
Soviet Union, ViatSovPetro and three years later the first oil was pumped out of Mobil's field. Since then, VietSovPetro has been draining the reserves at Bach Ho and flaring off the ssociated gas. It is producing 130,000 barrels a day. Critics in the oil industry say

the Soviet technology is out of

Vietnam has just let two contracts - one for reservoir management and one for rig maintenance - to foreign companies. These tasks are normally carried out by the company drilling the wells.

A proposal to recover gas from the Bach Ho field has also been put out to tender and British Gas, one of the compa-nies bidding for the scheme, believes there is a large untapped market for gas in Vietnam.

The project is split into two phases: under the "fast track" phase one, an underwater pipeline will bring the gas onshore near the south-eastern port city of Vung Tau. Five foreign engineering companies have bid for this \$100m-\$150m contract and the tenders are to be examined by the middle of next month. Phase two involves an

expansion of the pipeline capacity from phase one and the construction of an LPG plant. Industry sources say three foreign consortia have bid for this second phase of the project, worth \$400m. At least one of these bids has

been in since June and the bid-ders are pushing the government to make an early deci sion, saying that otherwise the reserves will continue to diminish as they are flared. Hanoi is also keen to dis-cover and exploit other potential reservoirs of gas offshore and is seeking bids from com-panies to exploit gas reserves in offshore blocks which are

now being drilled for oil. The gas pumped ashore by the phase one pipeline, which Hanot hopes will be completed by the end of next year, will be used mainly to generate electricity at a power station near Vung Tau. Industry sources say the turbines, now powered

by imported fuel oil, can easily be adapted to use natural gas. There is currently almost no domestic market for gas in Vietnam, except for a small onshore field in the north, used for electricity generation and piped to a ceramics factory. British Gas, which leads one

The Business Intelligence department of

"TLS FINE FOCUS & PTNRS" has prepared 3 special Vietnam studies for restricted circulation

A) VIETNAM RISK - This examines CMEA debt and provides a unique translation of the current Vietnam/Russian Federation Protocol. Plus: Creative ways for banks to eliminate loan risk. B) JOINT VENTURE OPPORTUNITIES - Legal and land issues how to find a credible partner. With case studies. C) LAND USE & PROPERTY DEVELOPMENT - Site clearance

and compensation. Plus: Audit & accountancy practises. Please fax (Landon) 44-31-882 4725 for our brochure.

> SALAMONS - SOLICITORS -

Vietnamese Legal and Translation Services

5/8 Lower John Street Golden Square London W1R 3PE United Kingdom

Contact: Mark Kenderdine-Davies LLB Tel: (44) 71 439 0388 Fax: (44) 71 434 3958

the south, particularly in Ho Chi Minh City However, the on a north-south power line to carry excess electricity from domestic market. A stridy carried out by the company 18 months ago concluded that in

market could absorb 2bn cubic metres a year. Phase two could bring between 1bn and 15bn cubic metres onshore annually and British Gas says it: wants to promote the use of natural gas among industries in the south which now rely on electricity.

the short term, the Vietnamese

welcome attempts by foreign companies to promote alternative sources of power.

US trade embargo against Vietpanies from doing most kinds north, to south and may not of business in the country but, under the recently relaxed rules of the embargo, American oil companies can go a long way towards exploring After a gap of 18 years, a long way towards exploring team from Mobil is back in potential fields. We can sign Vietnam, led by regional production sharing contracts. vice president Hob Aberbach, carry out exploration drilling. The company has the for a pro- and appraisal drilling, which is duction sharing contract on the first stage in any producthe Blue Dragon field, which tion sharing programme," Mr will soon be awarded by the Aberbach said.



## THE VIETNAM FUND LIMITED

(A company incorporated in Guernsey to make investm in unlisted companies and projects in Vietnam)

Open offer and placing of 40,000 units at US\$11.25 per unit

: Placing Agents Smith New Court Far East Limited Asia Securities Global Limited

Investment Manager Vietnam Fund Management Company Limited



SMITH NEW COURT FAR EAST LIMITED

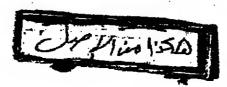
July, 1993

## VIETNAM

THE NEXT GREAT BUSINESS AND DEVELOPMENT OPPORTUNITY IN ASIA

We are Singapore based consultants with offices in Hanoi and Haiphong. Together with our Vietnam associates we can give you practical, up-to-date advice on every aspect of business in Vietnam.

Please contact David Adams Marina International Marketing Pte Ltd Wholesale Centre Block 1 # 03-10 West Coast Highway, Singapore 0511 Tel: (65) 7766255 Fax: (65) 7777242



#### VIETNAM V

he physical difficulties of doing business in Vietnam are being eased but the bureaucratic, legal and political obstacles to securing a

successful deal remain almost as formidable as ever. Those who arrived in Vietnam immediately after the enactment of the country's first foreign investment law in December 1987 had to over-come the most basic transport and communications problems.

Many of these have been esoived. Taxis now circulate in the capital Hanol and in Ho Chi Minh City, the southern commercial centre formerly called - and still known as Saigon; international direct dialling is available from even modest hotels; frequent inter-national flights connect both cities and Vietnam Airlines has added leased Airbuses, Boeings and ATR aircraft to its ageing Soviet fleet for both domestic and foreign routes.

Multilateral and bilateral donors, such as the World Bank, the Asian Development Bank and the Japanese government, are starting the task of repairing and upgrading roads, ports and other infrastructure left in a sorry state by decades of war and communist rule.

But Vietnam's policy of doi moi (renovation) - its equivalent of perestroika - and the government's official adoption of free market economics has not eased problems for foreign

Patience an essential tool

investors. Some companies have abandoned their projects after months of frustrating

negotiations.

The experience of the first five years of foreign invest-ment in Vietnam suggests that the principal obstacles to og an agreement are frequent conflicts between the central and local governments with their own agendas. "The

The central government is acutely aware of the threat to foreign investment posed by free

wheeling local officials power of the emperor ends at the village gate," is an old say-ing that has become increas-

ingly popular among Vietnamese and foreign executives in recent months. A local communist people's committee will usually try to ensure that one of its own subsidiaries is the partner in a joint venture with a foreign company, or it will want to charge for the lease of state land above the limits set by

vet project proposals in their territory and are therefore both players and referees.

Victor Mallet looks at the obstacles to doing business in Vietnam

The central government is acutely aware of the threat to foreign investment posed by free wheeling local officials and is trying to reimpose Its authority on the provinces.
"The decision-maker must be the central government," says Nguyen Mai, vice-chairman of the State Committee for Co-op-

eration and Investment Meanwhile prospective investors must ensure that their negotiations with the central and local authorities are heading in the same direction; approval from Hanoi is of little benefit if the people's commit-tee in Ho Chi Minh City where your factory is located is going to make life difficult.

Investors planning to export what they produce and with no need of a local distribution network often opt for 100 per cent foreign ownership.

Others usually take the easy way out and form a joint venture with a local government enterprise or with a company controlled by the relevant national ministry. There are several significant

risks attached to doing business in Victnam besides the uneasy relationship between

Hanoi and the regions. The legal system is rudimentary, and the influence of your contacts or partners is more important than the application of laws - if there is one to cover your particular situation. The government plans to introduce a bankruptcy law

and improve commercial contract law, but for now disputes are referred to local arbitration panels which have no powers of enforcement. Even the foreign investment

law contains internal contradictions. It includes guarantee: against nationalisation, but amendments introduced last year suggest that Vietnamese companies have the right to buy into the foreign share of a joint venture in "important economic sectors". Foreign lawyers urge investors to ensure their agreement states that the business is not

Investors are also advised to insist on the right to hire their employees directly rather than through a government ageocy. Another concern for both for-

confused and apparently arhitrary tax system, which includes a turnover tax on business, personal income tax of up to 50 per cent, a complex import tariff scale and local taxes. Again there is a lack of co-ordination between the centre and the regions, with different provinces making different

demands on taxpayers.

A high-profile campaign to eradicate corrupt practices has been launched, but bribery remains comman

One irritating if understand able countrywide feature of life in Vietnam is dual pricing. Foreigners pay between two and and 10 times as much as Vietnamese for services ranging from domestic flights to access to ancient moouments.

Corruption is widespread. The government has launched a high-profile campaign in an attempt to eradicate corrupt practices, but bribery remains commou both for petty trans-

tions and in business dealings. For example, one foreign businessman, said it was normal to over-invoice the health ministry for pharmaceutical supplies, with the difference between the actual cost and the invoice total going to ministry officials.
As a Vietnamese hanker

unlikely to disappear when civil servants with nominal salaries of \$20 or so a month are overseeing \$1m contracts.

accounting systems in Vietnam are rudimentary. Cash dollars and dong, the Vietnamese currency, are both used freely in urban areas and it is not difficult at present to obtain foreign exchange. But personal do not yet exist; most employees are paid in cash.

detailed above are the inevitahle result of Vietnam's rapid switch-over from a Soviet-style command economy to a free market system requiring new regulations which have yet to be eoacted; others are common to fast-growing economies else esia and Thailand.

If the Vietnamese government succeeds in pushing the necessary legislation through the National Assembly and in enforcing the laws thereafter, the investment climate in Vietnam will be much improved.



Renault's Hanoi office: g has not eased problems for foreign investors

## eserves

WIN SAITED

. . . . . . . .

्य अवड fleids



The Chem Museum in Danang: tourism in the centre of the country is developing at a more sedate pace

Vietnam is served by an increasing number of international and regional airlines, including Air France, Lufthansa and KLM. Visa and entry formalities are generally straightforward, although visitors are sometimes presented with an extra "application to enter" form at the airport which requires a passport-sized

#### Currency

photograph.

Getting there

Visa and Mastercard - but not American Express - can be used at major hotels; the US economic embargo excludes the use of any credit cards and travellers cheques issued by US banks.

It is advisable to take a substantial amount of US dollars in cash for transport and accommodation, especially if you are travelling in the prov-

Theft and other crimes are on the increase, especially in Vung Tau and Ho Chi Minh City in the south.

#### Information

Commercial and economic information in English is widely available inside Vietnam, but the local press is not free and the best coverage of political developments is in the foreign media. The official Vietnam News, a four-page newspaper in English, is pub-

lished daily.
The weekly Vietnam Investment Review has comprehenaive coverage of economic news. Vietnam Economic Times, a monthly English language version of the Vietnamese weekly of the same name, is expected to be available

from March next year. English is the language of business, although some older people speak French and Vietnam's communist heritage has given the country many Russian and German speakers.

#### Accommodation

New botels are under construction in large towns, but firstclass hotels still tend to be full. Book well in advance and confirm the reservation. Those planning a longer stay will find housing can be extraordinarily expensive for foreigners.

#### The south

In Ho Chi Minh City (Saigon), leading botels include Century Saigon (\$110 to \$475 per night, tel (84 8) 231818, fax 292732); Saigon Floating Hotel (\$130 to \$425, tel 290783, fax 290784); and Continental (\$30 to \$176, tel 299201, fax 290936).

A favourite for connoisseurs of kitsch is the Rex (\$59 to \$198, tel 292185, fax 296536), with its rooftop garden complete with rotating illuminated crown. Another botel with a pleasant rooftop bar - if you don't mind the odd rat - is the Majestic (\$45 to \$140, tel 295515,

fax 291470) by the river. Saigon has a growing number of restaurants and bars, including the pub on the top floor of the Dragon Inn - a mock-Elizabethan mini-sky scraper near the river - modern bars with war-nostalgia names such as Apocalypse Now, and French establish-

ments such as La Cigale. La Bibliotheque de Madame Dai, a law library converted into a restaurant, is still going strong under Madame Dai her self. It is better known for its traditional music and dancing displays than for its cuisine.

It is worth visiting the tun nels at Cu Chi used by Vietnamese guerrillas during the war and to the Great Temple of the Caodai religion (prophets include Lenin, Jesus, Mohammed, Shakespeare and Victor Hugo).

## North and centre

The leading hotel in Hanoi is the elegant Solitel Metropole (\$139 to \$294, tel (84 4) 266919, fax 266920). Others include the

## **Business** guide

"important".

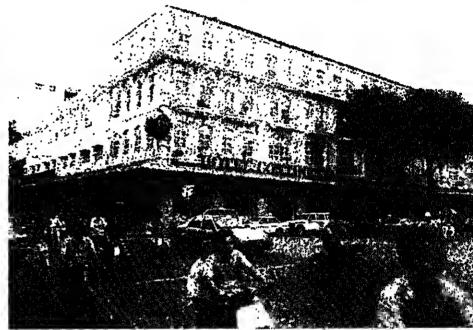
Saigon Hotel 1860 to \$110, tel 268499, fax 266631), and the Army Hotel (\$41 to \$72, tel 252896, fax 259276). Hanoi is undergoing the kind of construction and motorcycle-buying boom experienced by Ho Chi Minh City three years ago, but it remains a delightful if dilapidated town

> French colonial architecture. In the centre of the country, Danang and Hue - the old

> of tree-lined avenues, lakes and

imperial capital - are developing at a more sedate pace. The lifestyle of the emperors. with their concubines, eunuchs and mandarins, makes fascinating reading. Emperor Minh Mang enjoyed five concubines a night (he had 142 children), while Tu Duc's tea was made from dew collected from the

leaves of lotus plants



The Hotel Continental, Ho Chi Minh City: It is best to book well in advance and confirm reservations

#### FINANCIAL TIMES RELATED SURVEYS

Asian Aerospace	. January
Singapore	February
Asian Telecoms	February
Japanese Financial Markets	February
Bangladesh	March
Hong Kong	May
Philippines	May
Indonesia	May
China Region	June
New Zealand	June
Bombay	June
Korea	June

Advertising: Semenths Telter 071-873-9050 Editoriek Surveys Editor 071-873-4090

IN VIETNAM NOW!

Sign of Excellence

Forthcoming Surveys List/Synopses 071 873 4842 or Fax 071 873 3052 st survey dates 071 873 4211 Back Numbers 071 873 4683/4684 Reprints (minimum order 100): Lorraine Baker 071 873 3213

#### AMERICAN SERVICE **COMPANY**

#### **VIETNAM**

- \* Introductions to Government & Industry
- \* Project Feasibility Studies
- \* Project Development
- \* Consultancy
- \* Management Advisory Services

Contact Greig Craft or A. Salzman for details: 25 Bis Phan Dinh Phung Street, Hanoi, Vietnam Tel: (84) 4 235048/Fax: (84) 4 235049

## DEACONS

Aviation and shipping

Financial Services

fardine Pacific (Victnam)

2 Doing Khoi Street, District 1

Ho Chi Minh City, Victnam

Tel: 222340 Fax: 230030

Ho Chi Minh Office

Engineering and Construction

Vietnam practice since 1990 in Hanoi since June 1992

ONG KONG Telephone: (852) 825 9211 Facsimile: (852) 810 0431 Connect: Tim Dobson

Motor Vehicles

Hanoi Office

16 Han Thuyen St

Hanoi, Vietnam

Tel: 266306

Hai Ba Trung District

Security

Property Activities

Trading and Retailing

VIÊT NAM NGÀY NAY

A formightly newsletter covering business and economic events in Vietnam, culling information from Vietnamese and international press. Informative reading for people who want to keep in touch with Vietnam.

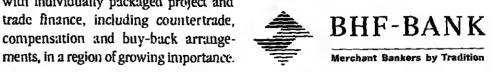
An indispensable complement to people interested in doing business in Vietnam. For a FREE sample, call Hong Kong (852) 520-1881 or fax (852) 520-1810

# A prime address in Ho Chi Minh City: BHF-BANK,

from Frankfurt, Germany.

BHF-BANK has been active in Vietnam for the past seven years and has opened a representative office in Ho Chi Minh City in 1993, in view of the economical potential of this emerging country. This office strengthens BHF-BANK's presence in Asia and its ability to provide Vietnamese as well as overseas customers with individually packaged project and trade finance, including countertrade, compensation and buy-back arrange-

BHF-BANK is one of the ten largest private banks in Germany - with total assets of more than DM 55 billion and own resources of DM 2.8 billion. The bank conducts its merchant banking business via branches, subsidiaries and representative offices at leading international financial centres.



Representative office in Ho Chl Minh City: 108 Cach Mang Thang Tam Street, District 3, Telephone (8) 251607 or 251608, Telefax (6) 251609 Haad office: D-60302 Frankfurt am Main, Telephone (0.69) 716-0, Telefax (0.69) 718-2296, Telex 411,026

#### **COMMODITIES AND AGRICULTURE**

## Polaroid Polaroid 5-year lows

Neither was there much sup-port for Opec's view that win-Tive year ter demand in the northern I conhemisphere would soon lead to week's surplus stocks being eroded, thus clearing the way for higher prices. "Prices in a bal-anced market stay still," said Comtries Mr Lindsay Horo, a trader at auchower's Lehman Brothers Securities in Ty delivthe psycho-barrier

Yesterday'a price weakness was exacerbated by Iraq's announcement last Friday that it was prepared to accept factories capable of manufacturing military equipment, a prerequisite for a resumption of oil exports.

licences in the CIS and

be imported between December 1 and the end of February. The commission still insisted

that an EU/CIS arrangement would not conflict with

attempts to get agreement

between most of the big alu-minium producing countries who will meet in Washington

on Wednesday and Thursday.

The Commission's new offer

will be made to Russia at these

Russia is suggesting to the

western producers that the

industry should cut annual

production by 1.5m tonnes, or

tonnes in 1993.

## ady to meet Russia ay on aluminium plan

import licences in the EU. restriction on CIS aluminium to "safeguard" the EU indusa European that its arts to the try, saying that only 60,000 tonnes could be imported between August and the end of this month. The curb is to be mext year and extended at the same rate, so only another 45,000 tonnes can

around

trading,

down on Fri-

bptimism

analysts that

to be set at Mine Commission is ready to make a confession, moving the total to 2 deep tonnes, and this will be part to the Russian delegation issee this week.

Meanwhile, the Commission has the mine the temporary cases of imports from all the commission that the commission than the commission that the commission than the commission that ission is ready to

Comministration of Independent States. At another three monitor indirect because it has not been this to organise talks with the state of the state idionics of republics,

Franch agreement

Committee and the main CIS

combanism there is even a will be ed on December 9

when Mr Borls Yeltsin, the Russian fresident, may be in Brussian Sign a trade agree-Agreement in principal has for CIS educat restraint, includ-ing a method of double check-ing by the use of both export

## scare sends silver price tumbling

By Kenneth Gooding,

Silver lost 6½ per cent of its value in a bout of hectic trading that sent the price plunging 30 cents a troy ounce in New York yesterday after a brief announcement that the Polaroid Corporation had developed a silver-free photo-

eraphic process. The precious metals markets vere very nervous after a fourday Thanksgiving holiday in the US and gold and platinum took their cues from sliver, each dropping \$9 an ounce at

one stage.
All three metals recovered slightly and steadied by the close in London. Silver ended th cents down at \$4.51% an ounce; gold was down \$5.75 at \$371.25 an ounce; and platinum closed \$6 down at \$368.75.

Silver's reaction to the Polar oid announcement was considerably overdone, suggested Mr George Milling-Stanley, analyst at Lehman Brothers. The full story showed Polaroid was moving further into the medical X-ray business and would begin testing larger prints for its Helios dry-process laser imaging system for medical applications. He said X-rays accounted for less than 8 per cent of silver consumption and this will affect only a small part of the X-ray mar-

Consequently, this was less important than the Xerox Corporation announcement about a silver-free film for the graphic arts market on November 1 - which also sent silver prices spiralling downwards and would have a discernable impact on 10 per cent of the

about 8 per cent, to help bring supply back into line with Mr Milling-Stanley suggested silver might dip a little more before the year end, moving to demand. The US industry is seeking instead an immediate \$4.50 or even \$4.25 an ounce. 1.Im tonnes cut in CIS output - and for its exports next year Gold was unlikely to break out to be beld at 500,000 tonnes, of its present trading range down from the expected 1.5m between \$360 and \$385 an

## Advisers worried about reduced crop diversity

There could be far fewer cropvarieties in future as set aside and farmers' increasing use of home-saved seed reduce the revenues that plant breeders can devote to investment, according to Adas, the UK government's agricultural advi-

sory agency.

Launching a report on the arable industry yesterday, Mr Melvyn Askew, head of Adas crop development, said this could leave crops more vulnerable to diseases and pests. "The more diversity we

have, the less chance we have

The National Farmers' Union of England and absent being checked following the wartle fly this year due largely to the Wales yesterday welcomed government mee outbreaks, which originated from French extra farm income derived extra farm incomes of farm incomes of farm incomes of farm incomes of farm incomes of

risk diseases and to examine 50 to 60 per cent. These are all moves in the right direction. It's of all imported animals. Cattle from France are got to be policed very carefully.

of a disease or pest wiping dsveloped for non-food uses everything out," he said, such as paint, printing ink and

The government is to check all livestock health of livestock imports from countries where there are high—Mr David Nalsh, the NFU president, said risk diseases and to examine 50 to 60 per cent. These are all moves in the right direction. It's

adding that the area sown with new cereal varieties had fallen by up to 53 per cent in the UK. To increase presents, breed cant in value from their 1989 in the past five years.

He also pointed out that the UK Bepartment of Agriculture had drawn up a list of 600 new crop varieties that could be developed for non-lood uses that a saviet series to the light will be non-lood uses that a saviet series to be and last year and the down-

tural service industries to be and last year, and the down-hit by falling fame expected ture. ward trend is expected to con-

impact on farm incomes of reforms of the European Union's common agricultural policy reforms and movements in the sterling.

A typical cereal farm of 200 hectares would have income of £30,000 in 1995 compared with £31,000 last year and £29,000 this year, if sterling remains at its current exchange rate. However, a 5 per cent strengthening of the pound would reduce income to £22,000. In 1991 it

## Green cloud hangs over Ecuadorean oil sector

Raymond Colitt reports on a wave of protest that has potential investors worried

nly months before the Ecuadorean govern-ment is to invite for-eign oil companies to bid for new exploration blocks in the country's Amazon region -potentially worth billions of dollars - a new wave of protests by environmentalists and indigenous groups has inves-tors worried.

The latest in a series of actions against oil companies in the region came earlier this month as several aboriginal suit against the US oil company Texaco.

The Indians of various tribes in the Amazon forests are demanding of Texaco an indemnity in addition to legal costs of at least US\$50,000 for each of the affected inhabitants of the area, which could run into thousands of people. Separately the plaintiffs are to claim clean-up costs that may, according to some estimates, reach hundreds of millions of

Texaco is accused of negligence, recklessness and inten-tional damage in its exploration and production activities. These are alleged to have increased the risk of cancer, respiratory and gastro-intesti-nal illnesses and to have caused other personal injuries and property damages.
According to Mr Cristobal Bonifaz, a lawyer for the Indians, Texaco did not always employ technologies and prac-tices that met industry standards. For example, toxic sub-stances, he said, were not disposed of properly, but were rather "dumped" into pits, rivers and bogs or burnt without any pollution control. Mr Bonifaz adds that the environmental damage in Ecuador's Ama-20n region far exceeds that caused by the Exxon Valdez disaster in Alaska three years

Texaco has not operated in the fields of the Oriente, as Ecuador's Amazonian region is called, since 1990, when its contract with the Ecuadorean goverument expired and it withdrew after 20 years as the principal operator from a consortium with the state-owned Petroecuador.

The US petroleum company denies the allegations and argues that the case should have been filed in Ecuador, where Petroecuador is legally established. Yet the plaintiffs argue that the defendant is legally a resident of New York and that all decisions regard-ing operations in Ecuador were

essentially taken in the US. Meanwhile, Texaco awaits the results of an environmen-tal audit initiated by the Ecuadorean government itself to determine exactly what envi-ronmental damage has been caused and what the reparation cost might be. The results of a study conducted by a Canadian environmental consulting firm are expected soon. Ecuador's minister of energy and mining, Mr Franciso Acosta, says that he will not sign any new contract with Texaco - which seeks to com-mercialise petrol within Ecuador - until the environments review has been completed and Texaco has renewed fits commitment to abide by it.

The validity of the audit has been questioned by environmental groups in the US and Ecuador because of the lack of public access to information, the exclusion of local communities from the process and the terms of the audit, which were set by Texaco and Petroecuador. Laws and regulations that might substantiate specific infractions against Texaco are scarce. Ecuador has only

recently adopted environmen-

tal regulations specific to the

That considerable environmental damage has been caused in the Oriente is peyond question. Countless acres of rain forest have disappeared, water and soll-have peared, water and soil-have been polluted by oil spills and animat habitats have been destroyed. According to a government estimate nearly 17m gallons of oil has leaked out of the Terraco-operated pipeline.

Preliminary results from an independent study by the US-based postitute on Economic

mdependent study by the US-based Institute on Economic and Social Rights indicates that in areas in which Texaco operated there is evidence of the presence of toxic sub-stances like benzine and toluci in excess of levels deemed tol-erable by the US Environmenreadile by the OS karyronmental Protection Agency.
Yet the company maintains that his emergency clean-up efforts were effective and that off spills, often due to natural disasters, represented only a small percentage of the total amount transported during 18 years of operation.

years of operation. Texaco is not the only com-

petroleum industry. Yet first the court for the southern dis-trict of New York must he signed to hear the case. ... members of the Cofan tribe -armed with spears and shot-guns - forced drilling to be suspended at a Petroecuador

The Cofanes demanded that

the exploratory work within a national park and close to their tribal lands be halted. Espe-cially indignant at President Duran Ballen's decision to allow resumption of exploratory work after having previously suspended it because of environmental concerns, they contended that they were not consulted about the activities as is required by law.

Confrontation is certain to continue as the Cofanes insist that Petroecuador withdraw from their lands. Petroecuador has already had to shut down one of its most prospectus sites, Tiputini Panacocha also located in the national park, following a decree by the gov-ernment's environmental

A 10026 -

agency in response to supposed Despite assurances to potential investors by the energy minister, potentially interested oil companies are wary of increasing confrontation by indigenous peoples and envipany accused of environmental ronmental groups that might improprieties. Only days before lead to costly legal battles and the legal suit against Turaco, an image problem at home.

#### COMMODITIES PRICES

BASE METALS Precious Metals continued GOLD COMEX (100 Troy oz.; \$760y oz.) LONDON METAL EXCHANGE M ALUMINUM SA.7 PURITY (5 per tourse) price change Bigs low led vel.

389.4 -7.8 275.4 388.0 38.02 30,046

370.5 -7.7 - 50 5

371.5 -7.7 377.5 370.5 61,790 24,833

373.1 -7.8 380.0 372.0 10,781 1017

375.2 -7.6 381.2 375.5 18,807 807

377.1 -7.8 379.0 378.8 352.5 84

182,868 37,518 1037,6-8.5 1036,5/1036 1036-6.5 268,590 46,223 -9.4 373.5 375.5 11,123 -9.4 374.5 399.0 3,834 -9.4 375.0 399.0 1,518 -9.4 371.2 370.0 16 18,544 Close Previous. High/low AM Official 322-6 2,505 122.05 -3.05 125.50 121.50 1,047 III LEAD (\$ per tonne) -3.30 125.00 121.25 3,070 -3.30 124.50 121.00 628 -3.30 12 Gloss
Previous
Highstor
AM Objects
(Get close
Open lot.
Total daily turnover 433.5-4 428-9 437/431 432.5-3 435-6 420-1 6.210 SILVER COMEX (100 Tray oz.; \$/tray oz.) 26,660 IN MICKEL (6 per torme) 4715-8 4730-5 4730/4715 4715-6 4715-20 Close Previous High/low AM Olificial Karb close 4655-65 47,842 8,775 **ENERGY** E CRUDE OIL NYMEX (42,000 US gaits, \$/barrol) I TIN (5 per torme) 4630-5 4670-5 4615/4620 4625-8 4620-5 4580-5 Close Previous
HighFour
Aut Official
Karb close
Typen Inc.
Built daily introver 14,877 2,857 ZBIC, special high grade (5 per 923-4 924-5 924 924-4.5 9415-2 941-2 III CRUDE OIL IPE (S/berrel) Intent (Juy's price change 14.37 - 11 14.81 - 14 22,348 E COPPER, grade A & per torme 1651-2 1655-6 1860 5/1651 1658.5-9 1652-3 1625-9 1633-4 1635.5-6 -1.6 48.30 47.55 27.398 1 -1.92 48.90 48.55 55.998 1 -1.97 48.25 48.60 24.708 1 -1.97 48.70 48.15 18.373 1 -1.92 48.30 47.00 9.957 1 -1.97 47.45 48.90 12.308 ILLAME AME Obticis SAS rate: 1.4784 LIME Clocky SIS rate \$1.4667 Spair 1.48800 5 meter: 1.4811 8 cmbs; 1.4756 9 cmbs; 1.4776 E CAS OIL PE (Stooms) 040°S 4.85 74.20 4.85 74.20 4.85 74.20 4.80 75.15 4.90 75.15 4.90 75.30 74.20 73.50 74.05 73.90 4.65 74.20 73.50 14.230 0.50 74.55 73.00 1.387 0.50 75.55 74.50 32.223 0.50 75.37 75.30 361 0.50 75.37 75.30 361 0.50 75.55 74.50 57.60 57 180.50 -2.50 180.50 180.00 33.914 180.50 -1.75 183.50 184.50 21.684 183.75 -1.25 183.75 182.00 182.33 180.25 -.78 180.50 148.25 8.33 180.00 -2.00 180.00 140.50 2,785 PRECIOUS METALS MATURAL CAS WHEX (10,000 smills; \$/mulbs.) IN LONDON SULLION MARKET 2.307 -0.048 2.174 -0.034 2.000 -0.034 2.050 -0.052 2319 2280 23,403 6 2319 2180 13,385 1 2 2090 2085 11,243 2 2455 2000 9,398 70 2085 2040 7,124 2 2065 2040 6,822 8 price 271.00-371.50 72,413 6,600 10 13,385 1,614 11,243 674 10 9,398 745 10 7,124 209 10 6,822 158 121,631 11,667 \$76.70-376.10 378.80-377.20 & Landing Rates (Vs USS) MTMEX (42 000 US galls.) \$415 galls.) Loos Ldr Mi 1 month 2 months 463.20 466.60 470.25 478.96 0.4315 -0.203 8 4475 0.4125 51,896 16,878 0.4430 -0.207 0.4435 0.4330 18,708 3,236

> £ equiv. 255-258 57-00

81.25 - 4.45 100.25 56.50 1.501 101.00 - 0.85 101.85 101.00 2.002 102.85 - 0.85 103.80 102.85 1.354 104.15 - 103 80.20 - 80 81.25 - 4.15 81.76 81.50 273 M WHEAT CHT (5,000bu mir; cente/80b bushe) M COCOA CRCE (10 tunnes; \$/tornes) -4/2 . 358/2 -2/5 . 339/0 -1/2 . 320/4 -0/4 . 330/0 -0/4 . 330/0 3345 27,945 3244 38,455 3297 1,365 3384 2,940 267,345 M MAZZE CBT (5,000 bu min; cents/55% bushel) -044 281/4 281/1 291,945 88,175 -044 299/4 299/0 892,20 88,450 -95 289/2 290/8 218,175 28,195 -94 282/6 290/8 218,170 2,955 -075 274/9 34,030 2,955 - 2596 258/0 123,955 8,025 1,960/8 274668 M SCYABEANS CET (5,000to min; contribile buries) 951/6 -2/0 685/4 677/4-354,190 97.990 950/2 -1/6 951/6 684/4 101,515 24,270 466/2 -1/0 695/4 686/2 113,337 4,330 686/4 -1/0 686/4 684/4 18,135 10,185 686/4 -1/0 686/4 684/4 18,135 34/4 685/0 -4/0 686/4 684/4 18,135 34/4 \$31,436 124,339 HI SOYABEAN OIL CHT (00,000ths cure/b) 28.71 -0.15 28.93 28.07 12.074 6.537 28.79 -0.12 28.95 28.55 22.184 4.181 28.77 -0.12 28.92 28.57 23.486 4.757 28.54 -0.07 28.92 28.33 10.710 786 28.30 -0.01 28.35 28.05 7.859 82.06 28.30 -0.02 28.00 28.70 2.510 75 M SOYABEAN MEAL COT (100 tone; S/ton) +0.3 200.0 208.1 14,196 4,224 +0.2 205.8 224.1 26,014 4,457 +0.2 205.8 203.4 16,196 2,221 -0.2 204.0 202.8 6,513 219 -0.2 204.1 202.7 8,428 510 -0.4 202.0 202.0 3,474 49 83,784 14,238 IN POTATOES LCE (Externe) 106.0 125.0 85.0 105.0 281 216 1,972 659 218 178 2,886 1255 1250 Ten
Landed tees met strong and soffre demand, reports the Tee Brokers' Association. Colours Association. Colours Association. Colours Association. Colours Association. Colours Association. Poorer sorts were steady. Bright east Atricase were often dearer by 5 to 10p, while mediums also advanced 3 to 5p. Ceytons met improved orquiny with brighter types often 3 to 5p higher. Offshore: good demand at firm to dearer rates. Coolations: quality 255p/leg (200p/leg), good medium 140p/leg (125p/leg), medium 105p/leg (102p/leg), low medium 97p/leg (55p/leg). The highest price readised this week was 220p/leg or a Relande pd.1.

GRAINS AND OIL SEEDS

1287 1303 1323 1329 1336 1280 12,810 1295 9,485 1305 5,329 1319 6,500 III COCOA SCCOI (SDR's/torne) III COFFEE LCE (\$/tours) +84 1273 1280 90 +80 1285 1285 14,220 +16 1255 1287 13,642 +22 1200 1206 5,085 +15 1218 1212 382 -23 220 12/2 1287 1285 1229 1223 1223 76.80 +0.80 76.86 75.25 1,401 76.40 +0.85 76.85 77.50 33,722 11.00 +0.95 01.00 78.20 1,405 62.35 +0.90 82.00 80.90 1,820 83,75 +1.00 83,05 83,05 80,00 86,96 +1.00 51,05 83,05 80,00 33,722 4,150 8,435 262 1,820 33 805 344 811 227 43,867 8,440 M COFFEE (CC) (US cents/pound) III No7 PREMIUM RAW SUGAR LCE (cecte/for 10.54 +0.01 10.70 10.50 1,155 10.50 -0.02 10.95 10.86 687 11.11 -0.08 11.15 11.12 2,816 10.82 - 45 280,80 +4,70 282,00 278,50 -8,750 776
282,70 +4,40 283,59 283,50 1,860 1
284,80 -4,10 283,59 285,50 1,877 2
274,40 -4,10 274,50 274,50 1,800 2
272,80 +4,40 273,50 273,50 89 20
274,10 +4,40 273,00 273,50 28 20
13,634 773 M SUGAR "11" CSCE (112,000lbs; cantalbs) 10.44 +0.11 10.51 10.30 40,596 7.336 10.51 +0.11 10.54 10.42 15,760 1,438 10.51 +0.05 10.55 10.50 13,923 576 10.55 +0.05 10.50 10.42 11,790 435 10.55 +0.05 10.50 10.42 11,790 435 E COTTON NYCE (50,000ths; cents/fbs) 61.22 +0.09 82.70 81.00 1,895 227 82.36 -0.32 83.45 82.30 22,832 3,419 83.17 -0.21 84.35 83.05 5,495 1,991 84.12 -0.06 85.00 84.10 4,795 394 82.88 +0.04 82.89 82.90 822 100 82.89 -0.06 83.20 82.80 4,079 203 | Bec | 61.23 + 40.05 | 82.10 | 75.00 | 1,805 | 27.10 | 1,805 | 27.10 | 1,805 | 27.10 | 1,805 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 | 1,905 99.85 -\$.15 103.50 99.00 11,358 102.15 -\$.00 195.25 192.15 5,253 104.45 4,90 107.96 104.25 1,914 108.85 -\$.00 109.80 109.95 603 106.45 -\$.00 109.00 109.00 113 19,930 VOLUME DATA
Open interest and Volume data shown for
contracts raded on COMEX, NYMEX, CBT,
NYCE, CME and CSCE are one day in arrests. INDICES # REUTERS (Sese: 18/9/37 = 100)

M CRS (See: 4/9/58-100)

MEAT AND LIVESTOCK II LIVE CATTLE CME (40,000 bis ountain 72-475 - 0.100 72-300 72-325 19.197 72-475 - 0.100 72-300 72-325 19.197 72-325 - 0.250 75-375 72-320 14,812 72-300 - 0.250 72-375 71,875 4,903 72-170 0.250 72-330 72-375 11,875 72-100 0.250 72-330 72-100 1,655 77,670 III LIVE HOUSE CARE (40,000/be; pents/lbs) 47.175 -0.125 47.800 47.800 97.80 97.81 47.400 -0.225 47.713 47.575 8,844 52.500 -0.025 52.475 52.550 2,495 52.500 -0.025 52.400 51.900 -055 50.800 -0.150 50.850 80.700 511 M PORK BELLIES CME 160,000be; ourte/foil LONDON TRADED OPTIONS E COPPER . . . Jan 11 19 31 Apr #8 73 59 Mer 117 86 64 III COCCA LOS 106 98 66

LONDON SPOT MARKETS -0.10 -0.10 \$14.12-4.14 \$14.35-4.87 \$15.44-5.46

Gae OE Heery Fuel OE Naphthe Jet fuel Perclaum Argue Entourine \$58-60 \$142-146 ■ OTHER - .-Gold (per troy ox) Padium (per troy oz.)
Paladium (per troy oz.)
Paladium (per troy oz.)
Copper (US prod.)
Lead (US prod.)
Tin (fusit Lampur)
Tin plaw Yoriq
Zinc (US Prime W.) 79.50 -0.03 212.50 Ung. Cattle (ive weight)† Sheep five weight)†ê Pigs five weight) Lon. day sugar (raw) Lon. day sugar (wte) Tate & Lyle export \$264.30 +0.90 +1.50 Barley (Eng. lead) Maize (US No.3 Yellow) Wheat (US Dark North) 2109.50y 2123.00 2175.00 Rubber (Feb) P Rubber (Feb) P Rubber (FL RSS Not July

+0.25

Cocorus Oli (Philips Pain Oli (Malay) S Copra (Philips Soyabeats (US) Cytton 'A' Index Wooltope (S4e Super)

\$505.0x \$987.5y \$317.50

CROSSWORD

No.8,319 Set by CINEPHILE

(16), 29, (16), (14), 25, 20, 10, 13, 10, 12, 30,

to get weight down? (8) Left like this in triumph (6) of country (5)
4 Hot spot providing knowledge without desire (7)
6 Chappie in trouble, remark-Cry to African country - fin-ish first (9) High temperature high? (5)
River created from another (4)
The present time turned about itself? (7) ably revealing (9)
7 Most of female side set off feeling of aversion (8)
8 Summary execution by Irish Jack? (6)
11 Cocalne in its pure form? (4) 19 it sounds like a falcon, my

child (7) 11
21 English trophy turned purple 15 factory (3)
Shot, about one pound, finds
hat (6)
Tempting little ringlet — Sir's
luck's out (4,4)
No 1 races to shelter (6)
Provider of straw hat? (8)

respected antiquity (9)
17 Land of a dog with a mad tail? (8)

18 Musician puts prohibition on beam (6)

20 Dry place? (4)

21 Hungry? Cook last piece of fish-cake and chips (7)

22 Snakeskin in bog (6)

23 Rental may be half a crown (6) (6) 26 Small map as part of collec-

something to say (6)

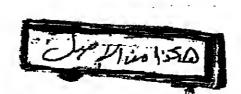
2 Half the area's fit for the

plough (6) Prominent feature for leader

Eleven-bar arrangement of

Solution to yesterday's prize puzzle on Monday December

	<u> </u>
JOTTER PAD	- '
	• •
	. :





-

## Strong opening to new equity trading account

Another strong session in financial, consumer and industrial growth stocks in the UK market yesterday, matched by weakness in the defensive high yielders, signalled the City's consistent that the City's conviction that this afternoon's Budget speech will be favourable for equity investors. The first day of the new equity trading account closed last night with the market showing a gain of about 2.2 per cent since the middle of last ak, when investors shed fears of adverse tax changes and turned to a positive view of the likely Budget proposals.

Attention focused entirely on the domestic scene, with the stock index future again providing a lead for equities. After opening lower in

the shadow of the heavy fall in Tokyo, UK shares moved shead steadily and gains were trimmad only slightly when Wall Street, in its first full return from the Thanksgiving break, managed a meagre gain of only 7 Dow points in UK

trading hours.
The PT-SE Index closed 24.4 ahead at 3,135.8, having touched 3,144.1 earlier. A good level of institutional interest was seen, with overseas huyers looking confidently for further cuts in UK and Euro-pean interest rates soon. The FT-SE Mid 250 Index, often the focus of private investor activity, gained 11.1

There were gains among life assurance stocks as fears of tax threats to pension fund values eased, in merchant banks, which benefit from a strong equity mar-

Acce	ent Dealing	Dates
Nov 15	Nov 2%	Dec 13
on Declaration Nov 25	Dec 9	Dag 30
Deutinger Nov 26	Dec 10	Dec 31
Dec 4	Dec 20	Jan 10

ket, and in brewers, hotels and stores, all hoping for a benign Bud-

But water and electricity stocks suffered as their solid dividend prospects appeared less exciting in stock market new looking for a Budget focused on promoting economic growth. A fresh round of losses in oil stocks as crude prices continued to weaken was balanced by perceptions that cheaper oil

would subdue inflation and encour- fears of adverse changes in comage industrial economies.

Trading volume remained high, with 687.8m shares passing through the Seaq network compared with 697.6m on Friday. Friday's retail business was worth £1.53bn, at the high end of this year's daily averages. Last week brought a total of nearly £7bn in retail husiness, in spite of the brief absences of Wall Street and Tokyo for boliday breaks.

The excitement of the day came in the domestic television sector with the first of the bid moves so widely-predicted since official takeover restrictions were eased last week. Carlton Communications made an agreed bid worth £758m for Central TV, setting the sector alive with activity. In addition to the relaxation of

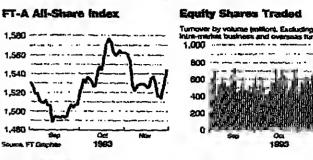
in the near future, even if not today. Several strategists have pre-dicted that domestic rates will be cut from the present 5,5 per cent minimum to 4 per cent, or even fuelled from other European financial centres where a rate cut from the Bundesbank is anticipated.

pany taxation, the stock market

was also confirming its belief that

UK base rates will be reduced again

Whita there has been a distinct shift in sentiment over the past trading week, there were still signs that share prices were being driven ahead by the unwillingness of marketmaking firms to hold heavy stock positions over the Budget period. Equity traders are expected to take their cue from the stock index futures traders this morning.



#### ■ Key Indicators

ndices and ratio	4		
T SE 100	3135.8	+24.4	FT Ordinary I
T-SE Mid 250	3466.0	+11.1	FT-A 500 p/s
T-SE-A 350	1561.1	+10.6	FT-SE 100Fu
T-A Alf-Share	1543.27	+9.97	10 yr Gult yiel
T-A Ali-Share yield	3.70	(3.72)	Yield ratio:
est partamina	cactors		Worst ner

becoming seeres	Mountained
wers & Distillers+2-2	1 Oil & Gas
dia ,	2 Electricity
urance (Composite)+1.8	
urance (Life)+1.8	

# 2395.8 (19.85) +32.0

8157.0

A Alf-Share	1543.27	+9.97	10 yr Gilt yield	6.69
A All-Share yield	3.70	(3.72)	Yield ratio:	1.93
st performing	sectors		Worst perform	ing sectors
Brewers & Distiller:	\$	+2-2	1 Oil & Gas	
Media		+1.B	2 Electricity	
nsurance (Compos	ite)	+1.8	3 Water	

## Cariton bid lifts TV stocks

The second second second

Taries.

7.55

\* \* 95

A 25

· / 🗠

化氯化甲烷

20.00

10 m. **11** 

. . . . .

1. 1. 1. 1.7

್ಷ ಬಿ. ಮ

577.1 55277 n Herry's (CZEC):

. ::

ن میر بر د د میر میر میر

, A LANGE WEST THE PARTY OF COURSE SE

TO DICSPER

ts lust

Television took centre stage m the market as Carlton Communications is unched a well-received takeover bid for Central Television. The offer came just five days after the government relaxed rules on mergers within the industry and is seen as the first course in a feast of

bids within the sector.

2758m, or £26 a share, and was to the surprise of many analysts endorsed by Central's board of directors. It will create the country's biggest independent television company with an area covering 20m

Predictably, Central's shares rose sharply, closing some 405 higher at 2573p.

Less predictably, Carlton's share price also jumped signifi-cantly, finishing 30 stronger at 797p. The stock was helped by an increase in profits to discussion aimed at defusing worries over inroads into Carl ids within the sector. ton's video sales and rental The bid values Central at arm. However, the results were

close. But the FT-SE futures

to a high of 3,167 to set the

the shares only started to lift LWT shares jumped 45 to 579p. when the Central offer was

Ms Chris Munro, media analyst with Hoare Govett, estimated that Carlton's 1993-94 profits would be boosted by £31m to £186m following acquisition of Central and earnings would only be diluted by 0.5p per share to 50p.

Investors are now looking for the next bid in the sector, and many bets were riding on Granada making a move on LWT Holdings, possibly as early as today.

Granada climbed 13 to 463p in spite of worries that it will have to launch a bumper

in line with expectations and rights issue to fund any hid.

Oil shares were the market's weakest performers last week after Opec surprised the market by holding its overall production level at 24 5m harrels a day. There had been hopes that Opec would cut outpot by around 2m barrels a day to try to stem the weakness in oil

Oils under pressure

Another torrid session in the crude oil market, which saw Brent crude slip below the \$14 a barrel mark at one point, triggered yet another bout of heavy selling pressure in an already bruised oil sector.

prices. And there were fears in international oil markets yesterday that Iraq may be per-mitted to resume oil sales in the middle of 1994, putting further pressure on Opec output

quotas and prices. Yesterday, however, it was the oil majors rather than the exploration stocks that were roughly handled by the market, with US holders said to have continued to sell stocks such as BP and Shell aggres-sively amid talk of downgraded

oil price and earnings fore-

casts. Shell dropped 12% to 665%p on heavy turnover of 6.5m, with the market additionally upset by reports that Gencor's purchase of Billiton, Shell's minerals and mining subsidlary, may have run into trouble. BP, which bore the brunt of some big downside pressure from the US late in the session, lost 7 more to 3254p in big

turnover of 13m. The exploration and production sub-sector outperformed the senior oil index, but nevertheless looked set to come under renewed fire. Lasmo beset by worries about the dividend, eased further to 115p on turnover of 5.4m, while Enterprise dipped 4 to 433p on 2.3m traded. Hardy dropped 13% to

143½p. GEC, the flagship of the UK's electronics and heavy electrical industry, was one of the worst performers among the constituents of the FT-SE 100 Index as the market became increasingly nervous ahead of the group's interim figures tomorrow.

LIFFE EQUITY OPTIONS

Some fairly aggressive selling pressure saw the shares close 4 off at 333p on turnover of 8.1m, the fifth most heavily traded stock in the market. One close follower of the company described it as "almost a utility but without the yield and dividend cover of most", and said the market had been slightly spooked by worries shout difficult trading condi-

full year estimates. Pharmaceuticals group Glazo saw its shares rise 16 to 671p ahead of a key presentation on research and development this morning. There was also active business in traded options

tions which could provoke a

series of profits downgrades of

Glazo last held an R & D presentation two years ago. Since then the group bas launched three products, and now that they are in the market, pharmaceuticals experts will be looking for new developments to combat erosion of market share in Zantac, the anti-ulcer product which accounts for around 44 per cent of Glaxo's bernover.

A return of speculation over the future of the stake held by Rank Organisation in Rank Xerox underpinned a rise in the shares in a firm leisure sector. Rumours of the sale by Rank to its venture partner Xerox have been in the market for some months, but were given fresh imperus at the

weekend in an interview with the Rank chief executive. The sale of the Xerox stake could raise up to £1.5bn and effectively wipe oot Rank's

(715 ) 700 6114 53 69 191 304 305 (715 ) 750 1814 31 639 191 304 38 67 85 Redsind 500 49 48 65 18 344 401 (7551 ) 800 18 25 324 481 644 70 Royal Insec 288 23 - - 501 - - 2005 - -

Jan Age Jel Jan Age Jel

Tesco (\*196 ) Vodatono (\*519 ) Williams (\*327 )

#### MEW HIGHS AND LOWS FOR 1993

POR 1993

NEW HIGHE (110)

BRITISH PURISH IND OTHER FURED INTEREST

28 BREWERS (1) Souton's & Nowmente, BLDG

MATLE SE BANK Crois, DO THOP L. Carnston,
DO THOP IT., Kingspan, Merchalis Stice Pi.,
FMC, Wichsley, BURBINSS SERVES (1) Servo,
CHERIS (1) LC, CONTG & CONSTRON (1)

Barner Home, SLECTRONAGE 35 Come,
Kalemizzo, ENA ALERO (2) Files Royce, Smiths

Ind., ENA CERN (2) Herden Melanian, SEP,
Santing, HOTELS & LLES 25 Herk Crom.,
DO SHIGE PC, HARDE COMPOSITE (1) Tradio
Indemney, INV TRUSTS (25) MEDIA 55 Aprile

TV, Border TV, Centra (17), Centra (26), Bibliote

TV, Border TV, Centra (17), Centra (26), Bibliote

TV, Border TV, Centra (17), Centra (26), Bibliote

Toya, Gt. Soutnern, Karohew (A), MOTTORE 53

ARI, Henlys, Qt. & GaS (2) Annex, Calor,
OTHER FRICL (1) Celectron Inv., OTHER BINLS

25 Anther Ind., Ferrores, PACKE, PAPER &
PRINTO 14 Ario Wiggers Applica, Ferry
Pecisering, Filese, Caloron Lyons, PHOP (5) Bit.

Land Stinge PL, Grainger, Mechale Moore,
Preside Ind., Treators PMC, STOPRES (4)

Centron, Courts, GLE, Maria & Spencer, TELE

METHODRES (1) Security NV, TETTS (5)

Formisser, Haisen, TRAMSPORT (2) Brit.

Alvesty. Do Waye Co., Commongroup,
PLAMTATIONS (1) Landu, NaMES (2) Bellyychill

Gold, Lond (4).

NEW LOWS (29)

NEM LOWS (23)
BREWIERS (1) Metrydown, BMBMERS SERVES
(3) Business Poet Perine, ENG (624) (1) Bury
Weinpline, Poet Maller (1) Normen, Poet
RETALING (1) KnA Serve, HEALTH &
NEEHOLD (3) Beapele, Health Hyporred A, Dr.
B, RY TRUSTE (8) Dunedin Japen, Do Witz,
JITS Japenese Strike, Do Weis, Perpetual
Japenese, MSSC (1) Poets, Okt. & GAS (2)
LASAGO, Do SHOC P.C. OTHER RINGC (1) Poets
Portfolio, PACKG, PAPET & PRINTO (2) SH.
Polymon, Commad Mealton, STORTES (1)
Hughes, TEXTS (2) Dewnon Intl., Mexica Intl.

debts. However, while leisure specialists accept the Issue is on the agenda, most believe it is still some years off. Rank shares climbed 7 to 883p, after

touching 897p.
Troubled theme park group Enro Disney bounced 10 to 360p on speculative buying. Stories swirling around the stock continue to suggest some imminent moves by the bank creditors to take a more forceful role in the company's finan-

cial restructuring.

effect of today's Budget on consumer speoding impacted favourably across consumer-re-lated stocks. In the drinks sector, shares were marked higher on additional hopes that the Chancellor would not come down too heavily on excise duty. Among the main beneficiaries, Scottish and Newcastle added 10 to 492p, Bass - reporting results tomorrow - 14 to 493p. Grand Metropolitan with figures due Thursday - 19 to 409p and Greenalls Group 10

Stores were also buoyant. Boots rose 10 to 544p, Dixons 7 to 265p, WH Smith 20 to 485p, belped by a BZW bny note, Next 11 to 199p, Kingfisher 12 to 679p and Argos 10 to 348p.

Bank sbares made rapid progress, as did life and composite insurers as financial sector specialists remained convinced there will be no big changes affecting life policies and pensions in the Budget. Barclays, up 13 at 569p, led the banks higher while Prudential jumped 71/2 to 3571/2p, spear-

heading the life sector. Westland Group advanced 9 to 235p as vague takeover talk fingered GRN. The latter's shares put on 7 to 491p.

AAF Industries jumped 11 to 49p after announcing an £18.4m deal. BBA Group retreated 11 to 178p on reports of a downgrading from Cazenove.

MARKET REPORTERS: Christopher Price, Peter John, Steve Thompson

Other statistics, Page 30

#### EQUITY FUTURES AND OPTIONS TRADING

Enthusiasm within the futures market caught the underlying stock market by surprise yesterday and was largely responsible for foreing stock prices higher shead of today's budget, writes Peter John.

The cash market showed no desire, on the first day of the new trading account, to move forward from Friday's

agenda in London markets. Marketmakers said the contract was "very squeezy" as there was still quite a big shortage of stock following

the surprise turnaround IN FT-SE 100 INDEX FUTURES (LIFFE) \$25 per full index point - Open Sett price Change High Low Est, vol Open int. 3130.0 3157.0 +32.0 8167.0 3130.0 12868 3148.0 8174.5 +32.0 3180.5 8148.0 2154 3184.5 +32.0 0

M FT-SE 100 INDEX OPTION (LIFFE) ("3135) 210 per tall index point 

Calls 12,352 Puls 11,717 III. EURO STYLE FT-SE 100 INDEX OPTION (LIFFE) 210 per full index point

2925 2975 3025 3073 3125 3175 3225 3275

C P O P C P C P C P C P C P C P C P

Dec 22012 8 19212 1012 14712 1512 18212 2272 6652 3512 3812 5812 18 8712 912 12512

Jen 25312 1812 211 2512 17812 3412 13312 47 10812 6312 77 85 4812 112 32 144

Feb 272 29 19812 4812 12812 77 73 126

Mar 28012 3514 2815 134 8515 8113 135

prompted by last week's base

contract expiring in December rate cut. jumped 10 points at the start At its best the December of trading and surged forward contract was 23 points above cash, a startling premium considering that the estimated fair value - the premium that takes into account the cost of carrying less dividend payments - is actually at a small discount to cash for this account.

By the official close at 4.10pm the December contract was slightly easier at 3,157 but still at a premium of 22 to cash with dealers anticipating good news from the Budget, particularly on advance corporation tax. Any decision not to cut back ACT would be of perticular

Institutions such as insurance Among stock options

heavily traded with turnover 3,683 lots atthough traders said the volume mainly reflected bifty technical trading. Glazzo, which is hosting a key R3D presentation today, was the second big stock option with
1,748 lots.
The ! IK Serie

F1 - SE Actuaries Share Indices The UK Series											
	Nov 28	Day's chge%	Nov 26	Nov 25	Nov 24	ego Your	Div. ylaki%	Earn, yleki%	P/E ando	Xd adj. ytd	Total Flature
-SE 100	3135.8	+0.8	3111.4	3093.1	3057.2	2778.8	3.79	5.60	22.15	90.08	1145.25
-SE M64 250	3466.0	+0.3	3454.9	3445.2	3430.7	2637.5	3.52	5.67	21.48	92.44	1265.18
-SE Mid 250 ex Inv Trusts	3464.3	+0.3	3454.2	3444.3	3429.8	2639.3	3.63	6.07	20.22	95.02	1250.48
-8E-A 350	1561.1	+0.7	1560.5	1542.4	1530.8	1339.7	3.73	5.61	22.00	44.12	1166.04
-SE SmallCau	1737.57				1735.66		218	4.03	33.69	41.54	1315,73
-SE SmallCop ox Inv Trusts	1713.62		1711.14	1711.89	1712.88	-	3.40	4.51	31.02	43.72	1299.84
-A ALL-SHARE	1543.27				1615.21		3.70	5.52	22.48	43.22	1175.27

v 29 chge% Nov 25 Nov 25 Nov 24 ago

# FT-Actuaries All-Sha	re
	No
1 CAPITAL GOODS(215)	10
2 Building Materials(28)	12
3 Contracting, Construction(29)	10
A Flectricularity	28

		MOA SE	carge 70	NOV 200	NOV 23	MOA SA		years	Asserted	1600	you	PROPERTY
1	CAPITAL GOODS(216)	1074.57	+0.0	1068.56	1082.92	1053,79	789.94	5.82		33.53	31.18	1278.44
2	Building Materials(28)	1266.17	+0.2	1263.21	1250.95	1226,15	768.51	3.63	2.76		33.28	
· 3	Contracting, Construction(29)	1031,66	+0.5	1028-14	1024.92	1016.05	850.55	3.07	1.21	100.08		
4	Electricula(15)	2891,36	-0.4	2902.00	2883.67	2680,18	2180,12	4.06		33,49	105.80	1184.15
5	Electronica(39)	2800.74	-01	2814.42	2816.89	2797.03	2242.58	3.13	8,93		69.29	
6		466.76	41.3			463,40		3.08		#	12.12	
7	Engineering-General(48)	819.48	+0.5	816.52	615.90	614.12			5.50	22.17		1250.71
8	Motels & Metal Forming(4)	458.37	+0.8	464,98	460.64	453.03	290.39		*	#	8,96	1492.55
9	Motora(20)	454.54				451.84		4.87	4.00	34,68		1278.40
10	Other Industriels(19)	2121.06	+1.7	2005.90	2058.98	2065.91	1832,33	4.67	5.83	20,28	71.85	1107.03
21	CONSUMER GROUP(236)	1709.97	+1.4	1005.92	1672.05	1658.08	1718,57	3.49	6.54	18.24	45.29	
22		1919.36	+2.2	1677.93	1850.33	1822.43	2006.87	3.92			48.43	943,80
25	Food Manufacturing(24)	1334.17	+0.5	1327.20	1319.83	1317,26	1278.54	3.90	7.20	16,48	39,87	1040,90
26	Food Rotaling(17)	2458.22	+1.1	2432.53	2413.82	2408.40	3103.74	3.58	10.57		71.24	778.54
27	Health & Household(31)	3583.51				3475,12			6.63			865,29
29	Hotels and Leisure(20)	1408.95				1386.04		4.12				1145.35
30		2242,56				2168.08		2.31	4.53			1254.43
31	Packaging and Paper(26)	906.10				892,25			5.11			1199.67
34		1357,63				1302.25		2,70	6.24			1200.10
35	Teodiles(20)	823.08	0,7	828.84	831,31	832.57	691.73	3.79	5,61	22.41	23.45	1135.13
40	OTHER GROUPS(143)	1684,93				1953.96		3,91	6.80		47.27	
41	Business Services(27)	1647,30				1615.25		2.74	7.23			1108.79
42	Chemics(s(24)	1535,94				1468.15		4.23	0.31			1121.64
43	Conglomerates(11)	1690.12				1607.53			8.43			1220.04
44	Transport(16)	3365.65				3288.23			4.00			1264.00
45	Electricity(17)	2121.63				21 40.73		3.78	11.06			1409.53
48	Telephone Networks(4) .	2024.79				1991.65		3.47	6.19			1228.75
47	Water(13)	3695,28				9695,01		4.84	11.71			1183.77
48	Miscelleneoue(31)	2506,78	+0.5	2574.27	2502.25	2480.02	2404,64	4.40	9,92			1000.38
49	INDUSTRIAL GROUP(SIG)	1556.48				1518.06		3.70	6.13			1119.89
S1	O# & Gas(17)	2858.31		2094.59	2722.98	2737,85	<u> 2178.15</u>	4.24	6.01	20.80	89.73	1234,01
59		1863.45	+0.6	1642-92	1634.88	1623.37	1458.24	3,79	6.12	19.86	45.61	1131.40
		1184.52	+0.7	1185.70	1179,32	1170,70	857.10	3.63	3.21	45.91	34.54	1417,43
62		1660.33				1629,49		3,24	3.77			1443,08
65	ingurance (Life)(6)	2147,57	+1.8			2026.93		4.28	4.48			1269,17
56	Insurance (Composits)(7)	694.00	41.8			B84.10		4.86	#			1154.35
67	insurance Brokers(10)	891,80		891,77		883.54		4.41	4.58			1197.77
68	Merchant Banks(E)	803.94	+1.0			795.13		2.93	7.23			1548.89
89	Property(30)	1107.72		1104.98	1098.58	1096.50	809.01	3.67	3.65			1790.26
70	Other Finencial(23)	442.48	+0.8	459.19	437.37	437.52	267.50	3.62	6.29			1514,47
71	Investment Trusts(110)	1735,61				1720.19		2.37	1.91			1829.14
				4000 00	-	4645 94	1912 02	9 70	E 50	22 48	47 77	447E 97

- Hours	Open	9.00	10.00	11.00	12.00	13.00	14.00	15.00	16.10	High/day	Lowiday
FT-SE 100 FT-SE Mid 250 FT-SE-A 350	3106.1 3451.9 1546.1	3125.1 3455.9 1555.9	5137.9 3459.2 1567.2	3140.5 3482.7 1582.8	3139,5 3485,5 1562,6	3140.1 3466.9 1562.8	3139.9 3466.8 1562.7	3140.1 3467.8 1662.9	3135.5 3465.4 1560.8	3144.1 3488.4 1584.4	3108.0 3451.4 1548.0
Time of FT-SE 100 H	igh 2:18pm L	ow AdStern									
T FT-SE AC				p bask		0 14.00	15.00	16.10	Close	Previous	Change

1986.8 1080.2 1528.6 2020.2 1986.3 1079.8 1528.6 1988.3 1076.9 1528.6 1969.2 1075.6 1527.9 1990.9 1074.9 1628.4 1985.6 1081.0 1527.6 2014.5

TRADING VOLUME Major Stocks yesterday

8.000
4.000
4.000
575
1.001
1.001
1.001
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2.000
2. BAT Indut 64565

seary
State Cheleft
Bookst
Bookst
Bookst
Bookst
British Almanyst
British Almanyst
British Samt
British Samt
British Samt
Burnish Castrol
Burnish Castrol
Burnish Castrol
Cable & Winst
Cadon & Winst
Cadon & Winst
Control
Con benefit to investment

Brd Armston 420 2016 38 46 1514 214 31 [\*428 ] 400 16 20 28 38% 44% 534 \$md Stat A 396 2514 36 46 18 26 32 (\*284 ) 420 13 24 34 34 43 43 43 \$cots 500 53 64 7214 314 514 1716 (\*544 ) 556 18 3216 42 2014 29 38 450 28% 41% 52% 14 23 28%
475 15% 28% 38% 28% 34% 41%
ds 430 38% 48% 55% 7 12 20%
480 14 27 23% 25 30 40%
ds0 500 38 36 45% 51% 27% 20%
650 6% 15 25 47 58% 63
661 72 -- 6 -750 28% 38% 68% 13 25 49 56
87 550 42 60% 59 11 21 31%
780 17% 33 45% 35 45 56% 90 EV 11 13 5% 7V 11 100 3 7 8 12% 14% 18 1100 50 60 65% 19% 30% 42% 1150 20% 42% 53% 45% 50 74% 750 85 48 60% 72% 44 55 800 14 26 30 52% 75% 85 Full Wary Ang Feb Mary Ang Brit Alto 300 41 51 83 21 31% 39 (\*408) 420 27% 36 45% 37 47% 55% BAI loss 500 28 44 49% 74% 27 33 (\*518) 550 15% 18% 28 43% 57 63

7239 }
7artisat
F143 }
Thorn Stal
(1929 )
TSS
(7211 )
Tornkins
(7229 )
Vasil Reols
(734 )
Wellcome
(745 )
Option
State
(7589 )
Risto 750 stal
(7529 stal
(752) (732 ) 750 1474 1694 79 8 374 45 (732 ) 750 149 42 5334 31 621; 71 Resident 1650 47 165 137 34 854 106 17657) 1705 241; 754 111 621; 13 131 0950 160; 160 181; 26 - 11; 5 - 1172 ) 178 6 13 - 81; 14 -Herson 290 11 H 15 H 18 17 18 19 (731 ) 300 4 H 8 10 H 25 12 32 TRADITIONAL OPTIONS

Nov. 22 Last Declarations Dec. 3 For settlement 3-month call rate indications are shown in Saturday editions.
Calls: Anglo Utd., Studethd Toya, Cook (D.C.), Division Group, Lloyde Che
Wha., Mining & Allied, P & P, Surray Group, Wellsman Eng. Put: Seatch!
Puts & Calls: Atrece, Chiloride Group, P & P, Tullow Cd.

## LONDON EQUITIES

Optimism over the likely

RISES AND FALLS YESTERDAY

**LONDON RECENT ISSUES: EQUITIES** 

MC	pero	CSD.	19			buce		Not	DIV.		P/E
P	40	(Lm(3)	High	LOW	5tock	P	+/-	div.	pov.	yld	ned
5140	F.P.	47.2	165	140	Abecus	163	+1	NR3.5	2.0	2.7	22
-	F.P.	44.5	94	58	Abtrust Erring Score	89	-14	_	-	-	
	F.P.	4.8			Do Werrenta	48	-	_	-	-	
100	F.P.	29.4	102		Abtrust LLoyds	98		•	_	_	
-	F.P.	2.4	40		Do Warranta	40		-	-	-	
170	F.P.	204.9			Alidora	100		WHE!	2.2	4.0	74.
	F.P.	20.9			Angeratein	93	+1			-	
	F.P.	1.8			Do Wananta	30	49	_	_	_	
250	FP.	53.3	244		Azim	244	+1	130	28	1.5	29/
	F.P.	57.8	55		BITR Warrants 1998	55	+8	-	~~		~~-
115	F.P.	96.7	121		Bedoerline	112	-3	R4.1	21	4.5	13.
130	F.P.	46.2	130		Biotrace Int.	150	+4		-:		-
100	F.P.	107.0	102		CLM Inece	96	7***			-	
200		33.1	205			192		W5.9	2.3	3.8	14
	F.P.				Canadian Pizza						
	F.P.	25.5	110		Charles Skiney	108	+2	LN3.5	22	4.1	13.
	F.P.	13.9	114		Cleveland 1st	111		uN65,28	0.8	5.9	21.
-	F.P.	5.5			Coal Invs	17			-:		
	F.P.	53.6	142		Creet Packaging	134	-	W3.65	2.1	3.4	17
260	F.P.	286.7	275		DFS Furniture	275	+3	LB.4	2.1	2.9	20.9
100	F.P.	49,4	102		Dellan Lloyde Tst	97	+1	-	-	•	
1	F.P.	4.6	134		Emerald Energy	134		-			
180	F.P.	61.9	183		Feachurch	176		W7,2	1.5	5.1	15.
-	F.P.	31.5			Rinsbury Under wit	105	42	-	_	-	
-	F.P.	11.2	56		F & C Em Mis Wis	56			-	-	
168	F.P.	352.7	175		Gertmore	175	+1	Q.PW	2.0	2.9	21.5
-	F.P.	0.2	11		Greykians Winds.	11		-	_	-	
100	F.P.	54,5	102		HCG Lloyds Tat	98	+7	-	•	-	
100	F.P.	31,2	111		Hispox Select Ins	104	+1	-	-	-	
250	F.P.	59,5	251		Hozelock	250		W\$.D	22	3.0	17,
226	F.P.	123.0	284		independent insce	281		u6.25	1.2	3.7	25.
100	F.P.	102.0	101		Joshson Fry Utle	100		-	-	•	
100	F.P.	49.2	10312	10212	Do Zero Div Pri	10212			_	-	
135	F.P.	29.3	128	123	Litiput	125		P4.35	2.1	4.3	13.4
190	F.P.	S1.5	208	191	Utho Sppts.	185	+2	Re.5	20	42	15.
100	F.P.	261.4	102		London Insc Mid	100 <sup>1</sup> 2	+12	-	-	-	
100	F.P.	42.6	102		Mastheed Insce.	89	+3	-	-	-	
100	F.P.	25.0	100	100	Morag Graniell C	100		-	-	-	
100	F.P.	56,7	97	85	New London Cap	9412	+1	-	-	-	
230	F.P.	83.3	253	233	Rextoro	238	+4	NR1.9	5.7	1.0	1B.8
150	F.P.	76.6	165	158	Ruberoid	163	+2	R5.4	1,0	4.1	15.4
135	F.P.	25.3	141	741	Smeller Co's Tet C	141		-	-	-	
100	F.P.	48.5	98	92	Syndicate Cap.	97		-	-	-	
-	F.P.	1.6	32	23	Do Wartents	32	+1	_	-	-	
100	F.P.	61.2	102	102	Throug Price Inc	102		_	-	-	
190		28.2	196		Towy Law	185	+2	1,14,6	22	3.1	18.2
	F.P.	24.4	111		Ugland Inti	102		-	-	-	
100		19,0	38		Wigmans Prop.	94	41	_	-	-	
-	F.P.	1.4	35		Do Werrards	35	43	-	-	_	

	Nov 29	Nov 26	Nov 25	Nov 24	Nov 23	Yr ago	High	Law
Ordinary share	2395.8	2369.3	2355.2	2329.9	2328.0	2095.8	2414,2	2124.7
Ont. div. yield	3.88	3.93	3.96	4,01	4,01	4,44	4.52	3.82
Earn, vid. % full	4.47	4.62	4.56	4,62	4.62	8.06	6.38	4,47
P/E ratio net	28.11	27.75	27.54	27.20	27.20	21.04	28.30	19.40
P/E ratio nil	26.07	25.73	25.54	25.22	25.22	19,38	26.14	18,14
Gold Mines	230.9	235.0	235.6	238.5	242.9	70.4	249.6	60.0
"For 1983. Ordinary Gold Minne Index o Ordinary share bead	hos como	inter high	c 734.7 18	i/2/63 ⋅ lo	1.2 31/8/93 w 43.5 29/	i; law 49.4 10/71	26/6/40	

Ordinary Share hourly changes

Open \$.00 10.00 11.00 12.00 13.00 14.00 15.00 16.00 High 2367.2 2383.4 2391.9 2395.4 2396.8 2396.8 2398.1 2398.0 2395.0 2401.1 2367.2 Nov 29 Nov 28 Nov 25 Nov 24 Nov 23 Yr ago

31,797 34,313 27,842 - 1526.1 1590,1 - 39,518 32,731 - 651.2 623.0 25,045 1380.0 29,993 496.9

100

76 135-135-166 156-166 166 166-166

1111111222111111111241221111

中华中国的中国的人工作的中国中华大学的现代对对对对中国的中国的对对的对对中国人工作的中国的对对 2000年《红色社会》 1900年 著控制的放於信息17万亿美国城市的政治企业的信息的是代表代码域的政治的条件是政治政治的 中一者をしたなんしるとんなるとなるとも 

| 14 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 287 | 

LONDON SHARE SERVICE

100 Current Cu 1 104 Feb Capital State Capita

| The control of the

Action Parties of the Control of the

: : :

.

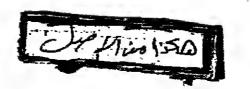
Ī

1.

المرامع المعالة

Separate the first separate to

A COUNTY



Note that the second of the second

## FT MANAGED FUNDS SERVICE

MAMAGED FUNDS SEPVICE

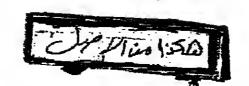
RECURSORS

RECURSORS FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (071) 873 4378 for more details.

| Comp. Self. Call the Caller + or Year Call the FT Cityline Help Desk on (071) 873 4378 for more details.

TENANGED FUNDS SERVICE

OFFICIAL STATES OF THE STATES OF T FINANCIAL TIMES TUESDAY NOVEMBER 30 1993 FT MANAGED FUNDS SERVICE FT Cityline Unit Trust Prices are available over the belephone. Call the FT Cityline Help Desk on ( 071 ) 878 4378 for more details.



The second state of

SEE MAN \*\*\* A STATE

The same 

And decrees the

NE THE - 14 Z-12

\* \*\*\*\*\* \*\*\*\*\* 

. A. Maria ₹'.

Compression of the

د حوده

अस्य इस्टब्स

\* EngriT d

39

**Money Market** 

## Franc nears old floor

THE FRENCH franc moved within reach of its former Suropean exchange rate mechanism floor yesterday, spurred on by last week's news that central bank reserves have been largely replenished and continued strong hopes for an early cut in Germany's key lending rates, writes Emma Tucker.

in the morning, the French currency rose sharply to FFr3.4484 against the D-Mark. its highest level since August 2 when the ERM bands were loosened, and just marginally lower than its previous floor of FFr3.4305. Many analysts expect the franc to breach this level by year-end.

Not even the prospect of a cut in French interest rates -widely expected in the market was enough to upset the cur-rency. Analysts said this was because the market is increasingly attaching importance to the growth differentials between economies, rather than interest rate differentials between currencies. Mr Jeremy Hawkins, economist at Bank of America in London, said: "If anything, interest rate cuts now are perceived as being

late trade to close in London at FFr3.457 against the D-Mark, virtually unchanged on Fri-

day's close.

Sterling was steady yesterday on the back of D-Mark weakness, but a late surge took it through DM2.54. Weekend newspaper reports that Mr Kenneth Clarke, the chancellor was planning to reduce ths level of public spending next year from tha previously agreed total, helped to support

the currency.
It closed in London at DM2.5425, up a pfennig on Friday's close. Against the dollar it was up % of a cent at \$1.4880.

 The UK monsy markets were exceptionally quiet ahead of Mr Clarke's statement today. As one dealer put It: "The buyers have bought, the sellers have sold and everyone

has gone home early." There was little technical trading to enliven the day, after the Bank of England announced a small shortage of £450m, revised later in the day to £750m. The Bank provided

**EXCHANGE CROSS RATES** 

Switzer UK Carneda US Jepan Ecu

CROSS RATES AND DERIVATIVES

2.131 18.83 48.55 20.57 25.73

0.5824 0.5786 0.5760 0.5747

IN SWIND PRANC PUTURUES (IMM) SFr 125,000 per SFr

**EURO CURRENCY INTEREST RATES** 

8<sup>1</sup>2 - 8<sup>2</sup>8 5 - 7 6<sup>1</sup>2 - 6<sup>3</sup>8

93.60 94.39 94.39 95.24

93 57 94.40 94.85 95.25

96.54 96.44 96.19 95.90

E MONTH EURODOLLAR (LIFFE)' \$1m p

+0.02 +0.01 +0.04 +0.05

93.60 93.40 95.00 95.25

96.54 96.44 96,16

WORLD INTEREST RATES

Over night

MONEY RATES

Belgham
week ago
Prance
week ago
Ireland
week ago
Ireland
week ago
Bally
week ago
Bulbarland
week ago
Bulbarland
ueek ago
Surbarland
ueek ago
Japan

I S LIBOR FT Lon

Belgian Franc Ounteth Krone O-Mark Dutch Guilder French Franc Portuguese Esc. Spenish Perseta Stefing Swiss Franc Can. Dollar US Dollar US Dollar Italian Lina Yen

18.76 10 11,46 3,961 9,554

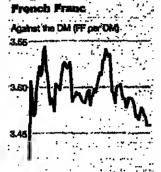
4.536 10.07 5.070 6.767 61.97 7.606

Change -0.0007 -0.0006

Mights Mights

3½ 3¼ 3.11 3.10 33 4

62 7 51: 61: 5.80 5.78 6 52 834 55.54 444 33: 244 33:



late assistance worth £135m. The three-month interbank rate ended the day at around 55 per cent. The March shortstarling contract, which opened at 94.84, dropped four basis points.

• The Austrian National Bank announced that it was cutting its Gomex money market intervention rate by 10 basis points taking it down to 5.8 per cent. A spokesman from the central bank said the move was in response to high liquid-ity in the Austrian money mar-

Austria last cut its Gomes rate, which covers two-thirds of bank refinancing, by 20 basis points earlier this month. The discount rate remains 5.25 per cent and the Lombard rate 6.25 per cent.

The Austrian schilling closed virtually unchanged on Friday's closs at Sch7.042 per

 In Germany, tight money market conditions prompted the Bundesbank to announce it would inject liquidity via a "schnell" or two-day repo.

The repo, designed to relieve money market shortages in the

short-term, was set at 6.40 per cent, a relatively high rate given that last week banks were able to borrow money at 6.25 per cent. Dealers said conditions were

made even tighter in anticipation of today's annual payment of public sector Christmas

4693 2502 2886 991.3 2391 100. 863.6 2278 965.5 1207

Est. vol

Dis. rate

8.00 8.50 5.25 5.25 4.25 4.25 3.00 3.00 1.78 1.75

6.625

1,963 1,047 1,199 0,415 1 0,042 0,370 0,953 0,404 0,506

0.475 1.054 0.531 0.708 0.486 0.796

Low

0.5813 0.5776

7% - 7% 8% - 7% 8% - 6% - 6% 6% - 6% 11% - 11% 9% - 6% 4% - 3% 3% - 6% 4% - 6% 4% - 3% 4% - 3% 4% 4 - 3

91.56 94.37 94.95 95.22

6% - 6% 7% - 7% 5% - 5% 6% - 5% 6% - 6% 11% - 10% 8% - 6% 4% - 4% 3% - 3% 3% - 3% 4% - 4% 4

Est. vol. Open Int.

71,217 89,047 49,588 33,286

Open Int.

16.36 4.734 8.726 2.524 10 2.893 3.457 2.412 0.349 0.101 3.081 0.891 7.945 2.298 3.367 0.974 4.210 1.216 6.996 2.024

3.958 8.787 4.424 5.905 54.07 8.637

High 0.5833 0.5810

1.145 2.542 1.280 1.708 15.64 1.920

With the abolition of Paragraph 17 funds from the begin-ning of next year, so-called "schnell" tenders are likely to be used more often, although the Bundesbank will also be able to use other fine-tuning instruments such as the "blitz tender", which injects liquidity even faster than the schnell

Opinion was divided over what stance the Bundesbank would take at today's regular refinancing operation. Some analysts are expecting a variable rate repo, although with the rate unchanged at 6.25 per cent, due to money market tightness. Others believe the central bank will stick to a central bank will stick to a fixed rate of 6.25 per cent as a variable tender could invite banks to probe for lower rates. Whatever happens, currency traders across Europe will keep a close eye on the repo announcement for clues on when German Interest rates when German interest rates

will next be lowered.

Most analysts doubt the Bundesbank will cut German interest rates at this week's council meeting, but are not ruling a reduction before the

end of the year.
West German inflation data
on Friday showed a year-onyear 3.7 per cent in November
from October's 3.9 per cent
increase and helped keep rate cut hopes on the boil, according to analysts.

● The dollar weakened in late London trading after attempting to push through tha DM1.7180 level. But the US currency stayed firmly above Y109, aided by a sharp decline in Tokyo stock prices which fell 3.87 per cent to their lowest level for over a year. The dol-lar is likely to trade within a fairly tight range ahead of US jobs data on Friday. Comments by Mr Theo Wai-

gel, the German finance minister, that German inflation has slowed and that the economy was stabilising had little impact on the dollar/D-Mark rate, according to dealers. The Spanish pass ta remained under pressure yes-terday on political worries over union threats to carry out a general strike. It closed in Lon-

don at Pta82.10 against the

D-Mark compared with Fri-day's close of Pta81.75.

388.6 207.2 237.5 82,10 198.0 8.282 73.18 188.7 79.96 195.

94.01 208.7 105.1 140.3 1284 157.8

Open 0.9190 0.9210 0.9200 0.9240

Open 93.90 94.65 95.19 95.50

Open 91.02 91.60 92.07 92.37

Open 95,59 96,21 96,43 96,54

Open 93,40 94,10 94,63 94,65

96.50 96.73 98.60

0.14 0.03 0.01

Dec

Dec Mer Jun Sep M TH

Dec Mar Jun Sep All Oper

Strike Price 9500 9575 9600

5.658 12.58 6.324 8.441 77.29 9.486

0.9129 0.9158 0.9200 0.9240

ING FUTURES (IMM) 562,500 per £

Sett price 90.96 91.55 92.06 92.34

Setz price 96.58 96.20 96.44 96.56

Sett price

93.39 94.11 94.65 94.95

IN THEREE MONTH EURODOLLAR (MIN) \$1m points of 100%

96,54 96,46 96,20 95,90

M US TREASURY BELL PUTURES (MAN) \$1m per 100%

96.89 96.73 96.51 96.20

0.87 0.83 0.41

Mar 0.71 0.47 0.25

+0,04 +0,03

-0.63 -0.01

MONTH BOU FUTURES CUFFE Equip points of 100%

+0.01 +0.01

+0.01 +0.03 +0.04 +0.09

+0.01 +0.01

486.0 259.2 297.0 102.7 247.6 10.36 91.51 236.0 196. 126.1 207.8

117.8 281.0 131.4 175.4 1806 197.1

20.60 10.98 12.59 4.351 10.49 0.439 3.878 10 4.236 5.299

4.982 11.08 6.589 7.433 68.06 8.353

5.311 2.832 3.246 1.122 2.706 0.113 1 2.579 1.093 1.367

1.285 2.852 1.436 1.917 17.55 2.154

Open int.

132,599 8,640 335 12

7.75 7.75 8.25 8.25 8.75 0.78 9.03 8.12

23.38 4.134 12.47 2.205 14.29 2.526 4.941 0.873 11.92 2.106 0.498 0.088 4.404 0.778 11.36 2.007 4.812 0.851 6.018 1.064

1 2.220 1.116 1.492 13.65 1.677

Change -0.0061 -0.0062 -0.0066 -0.0069

302.6 161.4 184.9 63.93 154.2 6.448 66.96 148.9 62.20 77.86

73.20 182.5 61.82 109.2 1000.

Est. vol

0.596 1.324 0.667 0.890 8.148

Open Int.

2,771 1,478 1,663 0,585 1,412 0,059 0,522 1,345 0,570 0,713 1,185

0,670 1,488 0,749 1 9,157 1,124

0.9127 0.9168 0.9200 0.9240

nge High Low Est vol Open Int. 04 91.02 98.98 3083 34657 91.61 91.55 1463 39006 92.08 92.04 2197 20826 03 92.37 92.33 694 10024 AMC FUTUMEN (LFFE) SFrim points of 100%

Est. vol Open int. 25,761 239,564 26,014 362,666 28,180 290,068 13,749 214,030

9,846 22,222 3,447

0.01 0.02 0.04

Jun

0.02 0.03 0.05

OBrown Shipley ... CL Benk Nederla Chloroft NA ...... City Marchante B

96.52 96.43 96.16 96.87

3.696 1.972 2.260 0.781 1.864 0.079 0.696 1.796 0.761

0.895 1.986 1 1.335 12.22 1.500

1.962 0.993 1.138 0.383 6.949 0.040 0.351 0.904 0.383 0.479

0.490 1 0.504 0.672 6.154 0.755

High 0.9190 0.9210 0.9200 0.9240

High 93.91 94.65 95.20 95.51

High 95,60 95,21 95,45 96,56

High 93,40 94,11 94,64 94,97

High 96,54 96,45 96,20 95,97

96.89 96.74 96.51

0.02 0.18 0.39

0.03 0.16 0.42

0.01 0.02 0.05

0.01 0.02 0.05

1.42 1.16 0.95

0.86 0.72 0.49

+0.08 890 - 820 +0.026 950 - 750 +0.025 055 - 075 +0.0105 042 - 672 +0.0105 042 - 672 +0.01 540 - 845 +0.3 000 - 300 +0.02 064 - 056 +16 750 - 750 +0.01 848 - 556 +0.08 055 - 085 +1.75 800 - 600 +1.75 600 - 600 +0.15 560 - 570 +0.025 216 - 225 - 000 - 000 +0.0055 324 - 324 17,905 53,7 10,575 5,6575 2,5426 384,15 1,0546 2320,25 11,08 261 208,7 12,655 222 17.9143 53.82 10.0965 53.50 10.0425 8.8425 6,7450 -2.7 -3.0 - 53.95 10,0900 1 8,7025 8,7850 48 -1,7 6.8165 -1.3 2.6462 -1.3 2.8478 -0.9 1.0555 -1.2 1.0558 -0.9 2529 -4.2 2642,8 -3.5 53.82 -2.7 53.96 -1.8 2.6642 -0.7 2.6568 -0.4 11.0551 0.5 11.0462 0.4 126.25 -4.7 210.95 -3.8 12.5925 -2.6 12.625 -1.9 2.2187 0.7 2.2158 0.8 2.5475 2.6800 2.5475 2.6300 364.300 362.650 1.0640 1.0616 2622.50 2602.75 83.95 53.80 25.3575 23.425 11.0675 11.0000 261.80 289.55 208.85 29.95 12.5675 12.4576 2.2250 2.2150 215.26 1.3250 1.3175 +5.525 000 -+0.0185 985 --0.005 602 -+0.008 875 -346,000 338,000 1,9900 1,9690 4,8096 4,5999 1,4915 1,4780 +0.0096 249 - 244 +0.0075 446 - 460 +0.2 450 - 660 +1.75 000 - 000 2.2435 11.4485 46.5 162.5 3.792 2.7175 41.55 6.656 2.3735 4.9915 6.611 11.4715 1 46.55 168.00 11.4230 48.35 161.25 +1.75 000 - 001 +0.0075 791 - 793 +0.0105 716 - 716 -0.6 000 - 800 +0.003 856 - 556 +0.004 372 - 375 +0.0035 990 - 992 +0.002 604 - 818 +0.7 300 - 000 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 +0.05 000 - 050 188,00 181,25 3,7990 3,7610 2,7225 2,7150 41,70 41,50 5,690 5,545 2,3770 2,3675 4,9995 4,9780 8,5190 6,8325 1198,05 1194,00 39,95 37,50 37,75 37,50 (MS) (NZS) (Peac) (SR) (SS) (F) (Yor) (Yor) (13) . 2.7185 -0.5 1196.45 39.875 37.7

	_	OT FOR				-	_		-			7,	10.1
lov 29		Closing mid-point	Change on day	spread ·	Deg*s	mid low	One mo	MPA	Three me	%PA	Chin ye	%PA	Morpen 6'
эторе										· ·			
untrie	(Soh)	12.0275	-0.01	025 - 030	12,0850	12.0200	12,056	-2.5	12.1002	-24	12,2225	-14	+16.20
elgium .	(BFr)	35.1	-0.16	050 - 150	36.40	36,05	:35.2425	-4.7	- 36,45	-3,9,	87.06	-27	-0.84
enmerk .	(DKG)	6.7675	-0.015	785 - 770	6.8025	6,7825	. 0.7967	-52	6.5405	4.9	6.9665	-20	+0.29
Inland	(FM)	5.8435		833 - 863	5,8610	5.8310	5.8007	-3.5	5.8935	-27	5.946	-1.8	
RENCO	(FF)	5.905		903 - 907	5,9300	5.8975	5.9239	-3.5	5.9518	-8.2	6.02	-1.9	-8.41
<b>GUINNY</b>	(0)	1.7085	-0.003	708 - 709	1.7185	1,7080	1.7188	-34	1.7208	-28	1.7363.	-1.0	+32.28
reece	(Dr)	245.8	+0.05	700 - 900	246,250	244,960	250.1	-21.0	258.3	-20.3	293.5	-19.5	
referred.	92	1.4125	+0,006	412 - 413	1.4135	1.4015	1.4065	3.4	1.4024	2.9	1.3643	. 20	
ally	4	1693.75	+1.75	500 - 000	1698.00		1702.36	-6.5	1716.95	-5.6	1772.75	-47	-37.57
Weembourg	(LFI)	36.1	-0.15	950 - 150	36.40	36.05	38.2425	-4.7	36.45	-3.9	37.06		-0.84
etherlands	(FI)	1.917	-0.004	915 - 916	1.9290	1.9145	1.9215	-2.6	1.9281	-23	1.0437	-14	+21.60
Creaty	(NO)	7.4325	-	430 - 435	7.4650	· 7.4200	7.4452	-2.1	7.4865	-1.8	7.5285		-17.87
ortugal	(Es)	175.2	+0.1	150 - 250	176,00	174.05	176.525	-0.1	178.73	-8.1	186.6	-8.5	-
pein	(Pto)	140.1	+0.3	050 - 150	140.50	139.75	140.9	-6.9	142,116	-5,5	146.65	-4.7	
weden .	(SKI)	8.445	+0.0426	443 - 448	8,4725	8.4050	8,4785	4.8	8.5255	-8.6	8.86	-2.6	-39.05
witzerland	(SFr)	1.4915	-0.006	491 - 492	1,5030	1.4906	1.4932	-1.4	1.4956	1.1	1.4044	`0:2	425.84
K	(2)	1.488		575 - 895	1.4915	1.4780	1.4864	2.1	1.4811	1.9	1.4005		-26.04
er .	-	1.125	+0,002	126 - 125	1.1260	1.1190	1.1213	3.9	1.118	3.2	. 1.1015	21	
DR†	-	1.389	-	-	-	-		-	-			71. 4	. 4
mericos								-				. i	7 77
mentine (	Pesc)	0.996	-	996 - 996		0.9976	-	~		·		·	
recell	(0)	232.92	+8.62	870 - 970	293,000			-		·. 5	2.7	-	. •
enede.	(CS)	1,3335	+0.0045	333 - 334	1.3365	1,3295	1.5283	0.7	1.2268	0.7	1.8176	. 0.8	. 41.15
ledco (New I	Paga)	3.1085		106 - 111	3.1120	3.1050	3,1102	-0.7	81149	-0.7	3.1266	-0.5	
SA	(5)	1	•	000 - 000				-				~· .	-10.30
selfic/Middle	East/	Africa											
Chipmile	CASS	1.514	+0.0065	518 - 615	1.6185	1.6129	1.5127	1.1	1.5092	: 1.5	1,5016	. 0.6	-47.20
long Kong	HECS)	7.7275	-	727 - 728	7.7290	7,7265	7,7292	-0.1	7.7285	-0.1	· 7.7376	-0.1	-
clie	(450)	31,37	-0.0025	368 - 372	31,3750	31.3675	31.445	-28	31,636	-84			-
TOECT .	M	109.25	+0.6	200 - 300	109.35	108.30	100.135	1.8	106.92	1.2	107,305	1.8	+121.87
letayeta	(MS)	2,5595	+0.003	559 - 560	2.5600	2,5560	2,565	-2.8	2,5767	-2.5	2,6196	-2.3	
ew Zeeland	NZS	1.8345	+0.0065	334 - 836	1.8380	1.8335	1.8337	0.6	1.8312	0.7	1,8245	0.5	
	Paso	28.05	-0.3	000 - 100	28.15	28.00	-	-	_				
eucli Arabia	(SPO	3.751		750 - 782	3,7520	27495	3,7686	-24	3,7695	Z0	3,785	-0.0	
Ingrapore	(35)	1.602	+0.0015	602 - 602	1,6025	1,6005	1.6005	1.1	1.6002	0.4	1,5985	0.2	
Africa (Com.)	070	3.3886		368 - 371	3.3726	3.3615	3.3876	-6.4	3,415	-6.4	3.6335	-4.9	2
Africa (Fin.)	65	4,4825		457 - 468	4,4676	4.4175	4.4945	-8.6	4.5566	-84			
	Won	807.8		500 - 700	807.70	807.50	610.8	-4.5	814.1	-32	832.6	-3.1	
alwan	(121)	26.9		850 - 950	26.95	26.86	26,965	-2.9	27,105	-30			
halland	190	26.45		400 - 500		25.40	25,4837		25,495		25.76	-12	

EMS EUROPEAN CURRENCY UNIT RATES Rate equinat Ecu Change on day 2.466 1.315 1.507 0.521 1.266 0.063 0.464 1.197 0.507 -1.73 -1.38 -1.32 1.10 1.45 1.78 -2.14 Netheric Ireland German Belgium France Spain Portugel Demonst 2.19672 0.809628 1,94964 40.2123 6.63888 164.250 192.854 7,43679 4.24 3.88 6.61 1.33 0.96 0.64 0.29 0.00 +0.0008 +0.00081 +0.00161 2,15862 0,797477 1,92396 40,6680 6,63379 167,009 196,990 7,61862 -12 -12 -14 -0.0778 -0.00998 +0.209 +0.249

-1.72 -3.36 6.34 4.23 8.01 -3.67 Strkes Price 1.400 1.425 1.450 1.473 1.500 1.525 7.52 5.37 3.56 -2.14 1.16 0.56 PUTS Jan 0.15 0.52 1.11 2.14 3.80 5.48 Dec 0.07 0.09 0.20 0.89 2.64 4.74 Feb 7.68 5.62 4.14 2.78 1.62 1.10 0.00 1.14 1.94 3.00 4.45 5.24 7.55 5.13 2.51 1.05 0.20 0.02

	1.4850									
				UK INTERES	T RAT	ES				
74	Mim pok	rts of 100%		LONDON MO	NEY R	ATES				
	Low	Est. vol	Open Int.	Nov 29	Over-	7 days	One	. Three	Stx	One
	93.85	11621	151967		night	notice	month	months	months	. yes
	94.60	20280	166857	Isterbenk Sterling	6 - 6	52-54	84 - 54	54 - 54	Dr - 64	SA - 53
	96.15	6378	121744	Starting COs		9-5 - 9-4	54 - 58	54 - 54	54 · 54	64 - 50
	95.44	4445	98065	Treesury Bills			54 - 54	5-44	04 - 026	- OF
20	CUPPED LI	niog m0001	ta of 100%	Bank Bills			54 - 54	54 - 6	54 - 6	
_	1	Est. vol	be	Local authority done.	54 - 41	5& - 4H	54 54	54 - 64	54 - 57	54 - 68
	Low		Open Inc.	Discount market decs.		52 - 52	-1010	-10 -10	-12 -12	-10 - 01
	95.98	3093	34657				٠.			
	91.56	1463	39606	UK clearing bank base	leading of	sh per o	ent front No	versber 28.	1993	
	92.04	2197	20626			Up to 1	1-3	3-5	8.0	9-12
	92.53	594	10024	1						
	(LIPPE) SI	rim points	of 100%			month	100043	wangs	induge	
_	Low Si	Est. val		Certa of Tax dep. (210		1%	. 44	4 .	34	months.
_			Open Int.	Curte of Tax dep. under 5	100,000 & 2	1%, Sepo, Decoel	44	4 .	54	34
_	Low	Est. vol	Open Int. 23397	Curte of Tax dep. whder ! Are, tender min of theco-	100,000 is 2 mt 4,9686pc	1 <sup>1</sup> / <sub>4</sub> Repo. Deposit ECGO Street	44 a withdrawn pair Stip, Ex	4 for costs tipe.	Sile.	, 31 <sub>4</sub>
-	Low 96.57	Est. vol 3189	Open Int. 23397 23480	Curts of Tax dep. wider 5 Are, tender min of Geco 20, 1983, Agreed rate for	100,000 is 2 int 4,9586pc period Dec 2	1 <sup>2</sup> 4 Repo. Deposit ECGO Stred St. 1993 to J	4 <sup>7</sup> 4 is withdrawn pain \$tig. Exp on 20, 1983.	4 for such tipe, port Pinance. Schemes & &	Sil. Malar up day W 8.90po, P	November Movember
_	Low 95.57 96.16	Est. vol 3188 2274 458	Open Int. 23397 23480 7635	Curte of Tax dep. whder ! Are, tender min of theco-	100,000 is 2 int 4,9586pc period Dec 2	1 <sup>2</sup> 4 Repo. Deposit ECGO Stred St. 1993 to J	4 <sup>7</sup> 4 is withdrawn pain \$tig. Exp on 20, 1983.	4 for such tipe, port Pinance. Schemes & &	Sil. Malar up day W 8.90po, P	November Movember
	Low 95.57 96.16 96.42	Est. vol 3189 2274 458 151	Open Int. 23397 23480	Curts of Tax dep. Index! Area tender man of Glaco: 30, 1983, Agreed rate for for period Cot 30, 1985 to	100,000 is 2 at 4,9020pc period Dec 2 3 Nov 30, 19	1 <sup>1</sup> 4 Sepo. Deposit ECGO fixed 25, 1993 to 3 93, Schemes	474 is withdrawn rate \$tig. Ex or 25, 1983, W & V 5,618	4 for costs 1pc, port Finance. Schemes 2 a pc. Finance 2	Sit, Make up day 16 4.90pg, Pr Souge Base P	Marenther Marent
	95.57 96.16 96.42 96.53	Est. vol 3189 2274 458 151	Open Int. 23397 23480 7635 3369	Carta of Tax dep. inter? Ann. tender min of disco. 30, 1982. Agreed nile for for paried Cut 30, 1985 t Nov 1, 1985 iii TESPERE MODETTH S	100,000 is 2 int 4,9020pc period Dec 2 0 Nov 30, 19	1%, Repo. Deposit ECGO fixed 88, 1993 to 3 93, Schemes PLITTERIES	474 mate Stor En mate Stor En m 25, 1965, W 4 V 5,518 LIFPE 25	tor such 1pc. sort Premis. Schemes & & po. Pinence ? OCLOGO poir	Make up day 16 8.00pc. Pr fouce Date F	Signature Marenther Marenther sales Marenther
	95.57 96.16 96.42 96.53 ints of 100 Low	Est. vol 3189 2274 458 151 75	Open Int. 23397 23480 7635 3369 Open Int.	Curts of Tax dep. Index 1 Ans. tender rate of disco 30, 1983. Agreed rate for for partical Cot 30, 1985 t Nov 1, 1985 in Transact MONTH & Open	ctico.coc is 2 ant 4.9080pc period Dec 2 o Nov 30, 19 57 MPA 1980 Sett price	1% Sepo. Deposit ECGO fixed 85, 1993 to J 93, Schemes PUTTURISE Change	474 is will believe in min 25, 1983, if M & V 5,610 is LIFPE 25 High	for such tipe, sort Francis. Schemes & a po. Finance ? OC.000 point	Signal of the Si	November Mesone rel ris dpo tro
	Low 96.57 96.16 96.42 96.53 inta of 100 Low 93.56	Est. vol 3188 2274 458 151 1% Est. vol 349	Open Int. 23397 23450 7635 3369 Open Int. 14941	Curts of Tax dep, mader ! Ana, tender min of disco. 30, 1983. Agraded rate for for period Oct 50, 1985 to Nov 1, 1985 In Transact MONTH 1  Open Dec 94.64	2100,000 is 2 ant 4,9000pa period Dec 2 b Nov 30, 19 57 1874,1980 Sett price 94,61	1%, Repo. Deposit ECGD fixed St, 1993 to J 93, Striemes Puryusuas Change -0.01	474 mate Stig. En mate Stig. En m 26, 1963, i W & V 5,618 (LIFFE) 25 High 94,64	4 tor such 1pc. cort Finance 8 a pc. Finance 9 00,000 poir Low 94.80	Make up day 16 8.90pc. Priouse Base R Rs of 100% Est. vol 12307	November Meente related to the Open Intelligent Intell
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10	Est. vol 3188 2274 456 161 161 164 Est. vol 349 416	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725	Cents of The day, maker I Area, bender min of discou- 30, 1992, Agrand mits for for partical Cost 30, 1985 t Nov 1, 1982 in Transmit modifyes Open Dec 94.64 May 94.64	2100,000 is 2 ant 4,9000pc period Dec 2 o Nov 30, 19 Sett prior 94,61 94,61	14, Repo. Deposit ECGO fixed 83, 1993 to J 93, Schemes PUTTURUS Change -0.01 -0.01	474 in withdrawn with Stig. En an 26, 1985, i W 4 V 5,618 i LEPPE, 65 High 94,64 94,64	4 tor cresh tipe, sort Finance, i Schemes II a po. Finance i OU,000 picir Low 94.80 94.80	Make up day of 8.90pc, Pr four Date H far of 100% Est. vol 12307 8086	November relevance rel relevance relevance rel relevance relevance rel relevance relevance relevance rel relevance relevance relev
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10 94.63	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Certs of Tax dep. Index / Ant. Involve rais of flaces 20, 1982, in the rais of flaces 20, 1982, in the rais of flaces 10, 1982 in flav 1, 1982 in TERMINET MORTH IN COUNTY IN CO	2100,000 is 2 ant 4,9000pc period Dec 2 o Nov 30, 19 Sett price 94,61 94,61	1%, Sept. Deposit ECGO fixed 85, 1993 to J 93, Schemes FUTURISE Change -0.01 -0.01	474 is withdrawn min 34g, En or 26, 1983, i W & V 5,818 1 LEPTE, ES 1 High 94,84 94,84 94,88	4 tor such tipe, sort Frence. Schemes & apo. Finance i Low 94.80 94.80 94.94	Sig. Make up day # 4.90pc. Pr fluore Date II fluore	Signature of the spot to the s
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10	Est. vol 3188 2274 456 161 161 164 Est. vol 349 416	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725	Cents of Tax day, wader Ans. sander Park, Sander Park of Stace St. 1992, Agreed side for St. 1992, Agreed side for St. 1992 is TENNESS MONTH 1992 in TENNESS MONTH 1992 in TENNESS MONTH 1994, B4 Juni 94,85 Juni 94,85 Sap 94,80	2100,000 is 2 int 4,650pc period Dec. 2 Nov 30, 19 51 III II I	1%, Sept. Deposit ECGO fixed 85, 1993 to J 83, Schemes FUTURISE Change -0.01 -0.01 -0.01	474 in withdrawn min Stig. En or 20, 1983. IV & V 8,818 I LIPPE ES High 94,84 94,85 94,80	4 tor such 1pc. sort Frence. Schemes 8 a pc. Frence 3 007,000 poir Low 94,80 94,80 94,84 94,78	Make up day of 8.90pc, Pr four Date H far of 100% Est. vol 12307 8086	November Manager Manag
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10 94.63	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Certs of Tax dep. Index / Ant. Involve rais of flaces 20, 1982, in the rais of flaces 20, 1982, in the rais of flaces 10, 1982 in flav 1, 1982 in TERMINET MORTH IN COUNTY IN CO	2100,000 is 2 int 4,650pc period Dec. 2 Nov 30, 19 51 III II I	1%, Sept. Deposit ECGO fixed 85, 1993 to J 83, Schemes FUTURISE Change -0.01 -0.01 -0.01	474 is withdrawn min 34g, En or 26, 1983, i W & V 5,818 1 LEPTE, ES 1 High 94,84 94,84 94,88	4 tor such 1pc. sort Frence. Schemes 8 a pc. Frence 3 007,000 poir Low 94,80 94,80 94,84 94,78	Sig. Make up day # 4.90pc. Pr fluore Date II fluore	November Manager International
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10 94.63	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Cents of Tax day, wader Ans. sander Park, Sander Park of Stace St. 1992, Agreed side for St. 1992, Agreed side for St. 1992 is TENNESS MONTH 1992 in TENNESS MONTH 1992 in TENNESS MONTH 1994, B4 Juni 94,85 Juni 94,85 Sap 94,80	2100,000 is 2 ant 4,6000pc period Dec 3 b Nov 30, 19 Sett prior 94,61 94,61 94,85 94,79 spen interes	1%, Sept. Deposit ECGO fixed SS, 1983 to J. 83, Schemer PUTTURESS Cramps -0.01 -0.01 -0.01 -0.01 st figs. are	474 in withdrawn min Sig. En en 25, 1925 W & V 8,818 H & V 8,818 94,84 94,84 94,86 94,80 for previous	4 for such tipe, out Finance is a per Fi	54, Main up day # 6.90pc. 4 fouce flate f fas of 100% Est. vol 12307 8086 5142 1339	Signature of the spot to the s
	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10 94.63	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Certs of Tax dep. state of Arc. tender rais of them. 20, 1982, the Arcest size for for partial Crt 50, 1982 the Nov 1, 1982.  10 TENNESS MONTH to Open Dec 94,64 Mor 94,85 Jun 94,85 Sep 94,80 Tended on APT. All C	Sett price 94.81 94.81 94.81 94.81 94.81 94.81 94.81 94.81 94.81 94.80 94.79 ppon interes	1%, Sept. Deposit ECGO fixed ECGO fixed ECGO fixed EX, 1993, 14 J EX, Schemes PUTTURES CHENGE -0.01 -0.01 -0.01 -0.01 EX Sign. are	474 in withdrawn min Sig. En en 25, 1925 W & V 8,818 H & V 8,818 94,84 94,84 94,86 94,80 for previous	4 for such tipe, out Finance is a per Fi	Main up day # 6.00pc. Price Date R four Date R four Date R 12307 2086 5142 1339	Signature of the spot to the s
po	96.57 96.16 96.42 96.53 into of 100 Low 93.36 94.10 94.63	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Certs of Tax dep. Index / Arch. Incider rain of filecon 20, 1982, in care of the or 20, 1982 in favor 1, 1982 in favor 1, 1982 in TERMINE MONTH IN COMMITTEE SALES AND SALES S	Set 1,000 is 2 ant 4,000 per just 4,000 per just 4,000 per just 50 Nov 30, 19  FFERENCE 1900 Set 1,000 94.81 94.85 94.79 spen interes	1% Repo. Deposit ECGO fined ECGO fined ECGO fined Change -0.01 -0.01 -0.01 et figs. are	474 in withdrawn min Sig. En en 25, 1925 W & V 8,818 H & V 8,818 94,84 94,84 94,86 94,80 for previous	4 for such tipe, out Finance is a per Fi	54, Main up day # 6.90pc. 4 fouce flate f fas of 100% Est. vol 12307 8086 5142 1339	Open in 100746 96039 77686
po	Low 95.57 96.16 96.42 96.53 ints of 100 Low 93.50 94.03 94.03 94.03	Est. vol 3189 2274 458 151 % Sst. vol 349 415 215 11	Open Int. 23397 23450 7835 3359 Open Int. 14941 10725 7134 3171	Cents of Tax day, wader in Arts starter man of Starter and of Starter and of Starter and Other and Starter and Sta	strate of the st	1% ECGO Stud M. 1993 to J. 1993 t	444 is withdrawn pairs star, pairs star, pairs star, pairs, star, pairs, star, pairs,	tor such tipes out Financia. Schemes & spe. Finance i 100,000 poir Low 94,80 94,84 94,84 94,78 8 day.	Make up day if 4.90ps, 4 thuse lines if the of 100% Est. vol 12307 8086 5142 1339	234 Movember of Missing to Open Int 100745 80039 77636 30037
ро	Low 96,57 96,18 96,42 96,53 mts of 100 Low 94,10 94,63 94,10	Est. vol 3188 2274 456 151 161 552. vol 349 415 276	Open Int. 23397 23450 7635 3369 Open Int. 14941 10725 7134	Certs of Tex dep. ender I Ans. tender rain of disco. 28, 1997. Agreed site for for partical Cot 50, 1992 i Nov 1, 1992. In TEXPERIE MONTH I Open Dec 94.84 Juni 94.85 Sep 94.80 Traided on APT, All Strike Price De	stant 4,900pc is a mit 4,900pc is not 20, 19 Sett prior 94,61 94,61 94,61 94,61 94,79 ipon interes Q OPTION	1% Repo. Deposit ECOD Steel & 1983 to	474 is withdown man gain \$1,000; in wax, 1985; in wax, 198	4 tor such tipe, sort Financia, Schemes 8 as pc. Financia 5 00,000 pois 4,80 94,80 94,84 94,85 94,78 a day.	Sig.  Main up day # 8.30pa, Pr	234 Movember of rineros na sin spo to Open in 100748 80039 77636 38037

		1 : : -	
BAS	E LENDI	VG RAT	ES
Adem & Company	Duncan Lavele Entir Burk Lini Financial & Gari Financial & Gari Grobent Haming I Grobent Guinnese Makor Habib Bark AG Helistic & Gari Hall Serrud C. Houre & Co	Red	Plair Brothers Plantunghe Bank Light An administratory Played Bis of Scotlan Officials & William St. Standard Chartered TESB Lighty Trust Bank Pic Western Trust Williamsy Lakdiev Williamsy Lakdiev

5.5 APIC 7

**Money Market** 1.50 1.50 2.60 GF 1775 1771 18 5.00 5.25

Bank Accounts 3.00 - 22 13 2.15 A.51 6-444 3.10 4.30 8-444 2.44 3.28 0-40 4.75 4.25 4.25 3.25



He lifts the red case. You hold up the small black box. He announces his policies. You watch the

markets react. With a Futures Pager, you'll follow more than the Budget. You'll receive currencies, futures, indices and interest rates, constantly updated, 24 hours a day on the pocketable screen. With a complimentary news service giving you Budget bulletins wherever you go, there's simply no opposition.

071 895 9400

Call now, for your FREE 7-day trial.

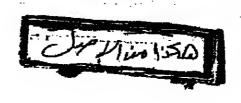
Try it for a week. Then try doing without it.

REUTERS 1000 Phiancial Data Service directly on your PC for only

Resters 1000 Fizzacial Data Service, the award winning par financial information service, is now available directly on your PC. This mine Reuters service, carried on CNNTEXT, is the leading source of genuine Reuters service, carried on CANALIGAL, as the resume countries information of its kind. No need for costly modern connection only a CNN to signal. See for yourself - contact hyperCOM for further information about this new exciting Reolers on line 24 hr service.

Pax +45 45 87 87 73 or watch CNNTEXT pages 790ff. DO YOU WANT TO KNOW A SECRET? The LDS. Genn Seminer will show you how the markets REALLY work. The amazing trading techniques of the legendary W.D. Genn can increase your profits and contain your losses. How? That's the secret. Ring 061 474 0060 to hook your FRISE place.

FUTURELINK it reliable, cost effective real-tima futurass, FORE; &S services available via ( & within Lunder) CALL INTERON ON



Dec Mar Jun Sep

-6 2,000 1,200 2.8 +10 1,140 260 1.0 -2 825 408 1.0 -10 4,779 2,600 1.3 +1 1,425 650 1.3 -1 1,007 494 1.5 -15 875 552 1.9 -10 477 290 2.3 +3 220 145 3.2 -3 722 380 2.3 -5 4,000 2,820 0.9

					41_
	WORLD ST	OCK MARKI	ETS		
	+/- Miss Cow Yid P/E	+/- High Law Yid P/E	-1 - High Low Yad P/E -1 - High Low Yad P/E	Sales x 1 = High Law Sales	+ / + High 1.0v
	# 7- Mapb. Care Vid. PRE # 4,900 # 50 4,010 2.500   Kolone 2.207 # 3. Not 2.104	200	24 1.000 7 450 1	177075 Oreport   64   64   65   117700 RegCmB   1700 Careful   420   545   480   720009 RegCmB   2700 Oreful   420   545   65   65   65   6700 Oreful   28000 Careful   790   72000 RegCmB   720009 RegCmB   72000 Reg	**************************************
	AFIC Marina 1.4	30 → 0 1,890 1,030 1.2 SumMar 245 30 → 50 2,150 1,640 SumMat 256 30 → 70 1,520 995 SumMat 770	-23 1 640 735 09 . HSBC 85 -17 911 541	2400 Concan 290 290 285 1786948 10/Ocm 156956 Crown 255 ~ 1 167 05 92866 1900P	211 6214 20% 10% +1 520 19%
nesto abar BLAI psES nada naná vioCh	(Blook 23 / Yerr)	300		1800 Dectar   184	9 / Can Si
	1,130 -30 1,480 1,100	180 -70 1860 (20) 1 Surnish 245 -70 187 -7	-00 (Fig. 1771) - Amber 10 + 101, 01; 3.8 e.5   -00 (Fig. 1771) - BESSES 10; -14 421, 273; 10 201   -40 55, 001 550 - Charles 35 - 114 421, 273; 10 201   -14 55, 001 550 - Charles 35 - 14 471, 275; 274 1  -15 502 503 1 - Charles 592 4 14 471, 275; 274 1  -15 503 505 - Charles 592 4 14 471, 275; 274 1  -15 503 505 - Charles 592 4 14 471, 275; 274 1  -15 503 505 - Charles 592 4 14 471, 275; 274 1  -15 503 505 - Charles 592 4 14 471, 275; 274 1  -15 503 505 - Charles 592 4 14 471, 275; 275 1  -15 503 505 - Charles 592 4 14 471, 275; 275 1  -15 503 505 - Charles 592 4 14 15; 275 1  -15 503 505 - Charles 592 4 14 15; 275 1  -15 503 505 - Charles 593 4 14 15; 275 1  -15 503 505 - Charles 593 4 14 15; 275 1  -15 503 505 1  - Harles	7-764 Cantilia	11 4577 11 10% +1 4584 10% 10 518 10 7% +3 57% 712 26% -3 5264 26%
ubu£ orin ers	2,620 -30 3,490 2,260	45 -76 583 324 Thiose 50; 50 -7 460 331 - Tiss 2,00; 75 -10 815 519 - Tiss 1,630 03 -42 1,030 571 0.9 Deck 75; 09 -4 448 305 582 Teachy 582 00 -44 1,350 710 - Teachy 472	-20 2.920 ; 525	28755 Horsenn 174 - 75177 1775 25632 Hudisty 38% - 75177 1775 10942 Images 384 - 5458 384	/- High Low 7td P/E
HOTELS AND THE PROPERTY OF THE	\$20 - 50	99 -4 464 305 - 581 f BoCop 550 -561 535 710 - 1041nc 477 710 555 - 10 1,010 555	-30 1,646 550	\$46528 Imp064 . 4459 -1-25554 4459, 4855.4 \$9 \$57736 Nec 0 \$1. 5254, 31 4, AEC 0 17 \$1. 5257 14, Amount 1007 Impre 1 17 11 11 11 Amp4m 156 1770 Impre 1 17 11 11 11 Amp4m 156 1770 Impre 1 17 11 11 11 Amp4m 156 1770 Impre 1 17 11 11 11 Amp4m 166 1770 Impre 1 17 11 11 11 Amp4m 166 1770 Impre 1 17 11 11 11 Amp4m 166 1770 Impre 1 17 11 11 11 11 Amp4m 167 178 178 178 178 178 178 178 178 178 17	100,7 \$4 \$44,1 \$10,0 \$1,0 \$1,0 \$1,0 \$1,0 \$1,0 \$1,0 \$
ونده	1.500 -00 1.7901.240	20	-29 652 410	900 Listra	122 35 34 30 T
のである。 では、これである。 では、これでは、これでは、これでは、これでは、これでは、これでは、これでは、これ	10	10 - 10 2 300 1 500   -	11 48 220	1973   1975	2

## plans to publish a Survey on

Communications

America's Communications

Revolution

on Monday, February 7.

The U.S. Communications industry is currently the largest and most advanced in the world. The changes happening now will have implications for the entire world. This survey will therefore be essential reading for key decision makers in over 160 countries worldwide.

To advertise in this survey, call:

Antony Carbonari or Melanie Burton in New York on Tel: 212 752 4500 or Fax: 212 319 0704 Alicia Andrews în London on Tel: 071 873 3565 or Fax: 071 873 3062

FT Surveys

3	December   1984   1988   198	1 1,149 5 761 6 761 6 2,500 7 62 2,350 1 65940 1 6	18 18 18 18 18 18 18 18 18 18 18 18 18 1	FEB G G G G G G G G G G G G G G G G G G G	Adr 12,8 Bonc 12,19 Bonc 12,19 Med 1,7 Med 1	557 +157 500 +100 500 +700 +700 +700 +70	890 582 2,030 1,170 3,812 2,565 1,099,11075 30,890 19,60 9,170 1,579 9,150 4,590 9,170 1,579 4,480 1,735 5,500 8,539 4,485 2,279 10,907,750 11,250 8,931 10,907,750 1,428 675	17 11 12 12 12 12 12 12 12 12 12 12 12 12	SWITZERLU Admitr And By And By And By But Right But Right But Right But Right CS By	189 532 532 2515 -3 1,000	3 21442 ! 1 588 55 575 \$2 575 \$3 1 1,050 88 110 3,570 1,050 8 555 6 555 \$2,470 1,5 5 2,470 1,5 6 5 2,470 1,5 6 5 50 51 51 51 51 51 51 51 51 51 51 51 51 51	12 1.7 81 1.0 90 2.9 175 2.5 170 2.5 170 2.5 1.9 170 2.5 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.9 1.9	## ## ## ## ## ## ## ## ## ## ## ## ##	2,160 9,800 me 1,210 a 824 Ph 1,570 ka 2,130 be 328 ka 3,500 328 ka 3,500 m 3,64 1,350 m 3,64 m 3,64	150 - 130 -	5-96 (28) (28) (28) (28) (28) (28) (28) (28)	67	Professional Primary Primary Recommendation Professional Recommendation Recommend	1,250 421 2,430 1,190 1,910 910 6,200 7,540 1,840 1,000 1,250 1,250 1,250 1,250 1,250 1,250	-00 2 2 5 5 5 5 7 5 7 5 7 5 7 5 7 5 7 5 7 5	01,910 1 380 1 380 1 527 1 1,700 1 880 1 402 1 1,700 1 812 1 812 1 1,450 1 762 1 813 1 825 1		Mittel March	5% 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	7:30 2.54 1.6 1.7 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6 1.6	85 - :- 19 57 11.0 25 1.1 47 23
	INDICES						-						_						-	CES				a la		
	<u> </u>	. No.		25		Fligh	1993 — Low				No. 29			Н		1983 — 1	DW	Dom 1	NA S	26	Nov 24	23	High	93 Low	Since cor	LOW
	ingentina Saparai (29/12/77)	84	17391.8	17009.4	18367.80	22/10	12157.66 85		PC (Nov 19		Ħ	2261.20	2231.14	2261-20 26	5/31	1501,15	25/2	todustries:		3683.95	3687.58	3674.17	3710.77 (16/11)		3710.77 (16711/93)	41.22
	Anatralia Ali Ordinarios(1/1/80)	2010.3			2132.40		1495.00 13		CBS TURING CBS AL SIX	Sanfihri 83)	404.4 262.1	406.7 263.6	406.4 283.4	419.30 4/ 272.00 4/		285,70 198,60		Home Bo	nde	108.59		108.81	109.77 (16/10)	(11/1)	109.77 (18/10/93)	54,99 (1/10/81)
	Alt Mining(1/1/80) Austria	892.2	901.8	890-1			564,70 Y3		New Zook	ad bo	2042.56			2203.58 2/		1495.37		Transport				1693.31	(16/11)		1759.95	12.32
	Credit Addres(30/12/84) Tracked index(2/1/91)	401.65 1042.5			109L43		300,26 14/ 712,05 15		Morney Onlo SERock		968.35	984.57		1036,73 18		669,92		Unidation	anda Nisa	227.00		225.88	<b>(31/8)</b>	217,14 (2/1)	258.45 (31/2/93)	10,50 (8/4/32)
•	Belgisto BEL2D (1/V91)	1367.29	1392.17	1385.69	1400.03	18/11	1128.46 4/1		Philippines Marilla Cont		2332.29	90		2607.50 3/		1270.58		Ony's hig Standa		6 (3630.27 Poors	) Low 36	75.56 (36	72.21 ) V	STUDIE!		
	Brazil Bovespa (29/12/63)	<b>t</b> +	28219-0	27637-0	97200.00	26/8	714,72 4/1		Portugal BEA (1977)		25742	2553.4		2588.00 95		1808.20		Composte	_	483,06		451.03	(15/10)		469.50 (15/10/93)	4.40 (1/6/32)
	Composite \$ (1975) Composite \$ (1975)	10	3274.72 4220.80	. 3269.89 4229.20			274131 21/ 3275.80 21/		Slopteen SES AL-S):		547.32	548.63	546,97	564.35 1/		394,10		Industrials	•	535.87		534,42	(16/11)		\$40.25 (16/11/93)	3.82 (21/6/32)
	Porticio SS (4/1463)	14	2018-09				1720.97 21/		South Although (2	CO .	1884.0♥	1591.5		2098.00 30	_	775.00		Rouncial		43.27	43.04		48,42 (25/9)	39.89 (8/1)	48,48 (25/9/93)	R.7074)
	PEA Seo (31/12/80) December	**	3352.4	3372,98	3392.40	26/11	2612.59 10	5	JSE Incl. (2 South Korn	16/9/70)	4840.0	4860.0		4901.00 19		4333.00		NYSE Con		255,61	255,13		260.48 (15/10)		260.48 (15/10/93)	(25/4/42)
	CopenhageuSE(3/1/83)	344.59	344.63	344.08	255,14	<b>4</b> 11	261.90 4/1		KorneCoopE Spoks		804.54	\$10,04	818.42	846,47 20	V11	605.93	6/3	Ames. Mic		483,47 754,87		461.04 746.82	484.28 (2/11) 787.42	395.84 (8/1) 645.67	684.26 (2/11/93) 787.42	29,31 (9/12/72) 54,87
	HEX General(28/12/90) France	1507.4	1524.D	1581.2	1607.79	3/11	843.10 22	1	Maded SE (	(30/12/53)	295.54	207.91	296.78	310.28 22	2710	215.80	4/1			13.01	133.10	1-0.00	(15/10)			(31/10/72)
	CAC German(31/12/81) CAC 40(31/12/87)	532.24 2119.30	587,01 2120.62		804.73 2231.86		471.26 13 1772.21 23		Allet per de la Suntantant	Gum (1 <i>12432</i> ) d	1291.80	1312.6	1314.0	1435,70 47	71	\$79.10	29/1	RATI	05			ov 26	Nov 1E			er ago
	Germany FAZ Aktien(31/12/56)	785,49	788.25	755,61	203.21		538.92 14		Swisa BK In SBC Genera	P (1/4/87) PI (31/15/58)	1191.50 939.90	1182.85 940.90	1188.14 936.32	1192,65 26 940,90 28		904.80 678.70				Div. Yiek	N	2.71 ov 24	2.71 Nov 17	No	10 Yes	3.14 er Dgo
	Commerchank(1/12/53) DAX (20/12/67)	2245,20 2045,43	2253.5 2047,24	2245.6 2047.71			189430 14 1816.50 13		Talagan WeightedPr.	130E/ES	438A.51	4163.99	4198.52	5013.28 7/	4	3005.43	9/1	SEPE				2.40 ?7.14	2.38 28.85			7.71
ķ.	Erroto Athena SE(31/12/80)	882,13	841,42	851.98	944.44	13/6	987.72 5/1		-	ET (50/4/75)	1295.51	1309.57	1309.26	1308.84 12	911	818.84	1/6	M STA	DARD Ope			où thank enge	X FUTUI	LOW	Est. vol.	Open int.
	Homy Yang Hung Song(31/7/84)	9012.77	9274.42	9298.31	9733.34	15/11	5437.80 4/1			rp.(Jan 1986	18428.1	17428.1	17195.1 1	15 <b>426.10</b> 29	<b>V</b> 11	3955.53	ועו	Dec Mar	463.1	0 464.2 - 465.2	20 +	1.05 0.95	464,50 465,50	461.65 464.90	13,495 560	185,867 14,164
	BSE Sens (1979)	3077.5	3285.1	3077.5	3233,10	26/11	2100.67 23/	4	CSD22-BOR NC CHORA MOUNT	int (1/1/70)5	568.8"	577.7	582.7	607.10 15	ino	468.50	13/1	Jun Sep Open me	rest ficus	- 466.3 - 467.7	70		466.60 467.80	=	15 1	2,050 439
	Jakariu Comp.(10/5/82)	520,46	<b>572.42</b>	524.20	536.45	22/11	27331 51		Eurotrack 1			1346.66 1133.60	1343.08 1132.86	1386.16 22 1175.45 22	910 910	1063-02	13/1 13/1			ACTIVE			TRAD	MQ AC	nvrry_	
	ipalings (SEC) Oversit(4/1/86) Suby	1768.04	1785.60	1788.30	1840.27	3/11	1191.19 11/	,	JCapeOrgni Barlogs Bro	s (31/1268) esg.(7/1/92)	144.95	305.74 143.53	308.98 142.11	316.7) 12 144.95 29		182.92 99.81		Friday			ose Cha ice os	day	/okume ţmi	Nov	28 Nov 24	
	Berta Chess Hal (1972) ME Genton (4/1/93)	543.88 1195.0	541,52 1193,0		6\$2.86 1390.00		446-33 6/1 962-00 11/	1 1	CAC-4					<del></del>				Teletonos Partymoun ESM	1,		56% 794 56	-34 1	ien York S Uniex IASDAD		112 229.283 594 14.381 54 240.057	1 20,410
	Japan 186a) 225 (18/5/48) 1	16078.71 1	16726.37	17332.92	22148.11	13/9	1607821 29/ 248.84 29/		Nov	2110.0	Sett Price 2122.0	+1.0	2126.	.0 2106.	.5		4,488	Terraco Econo	1,	055,500 038,900	53% 014	-146	MSE stues 1 rad	ed 2	448 2,68	1
	Mildari 300 (1/10/82) Yapix (4/1/88) 2nd Section (4/1/88)	1350.48	1424.54	1471.85	206.54 1885.67 2394.67	3/9	1258J)6 25/ 1651-72 26/	1	Jan Mar	2128.0 2138.5 2158.0	2135,0 2146.5 2158.0	+0.5 +1.0 +1.0	2139. 2147. 21 <b>6</b> 8.	D 2138,	.0		0,799 459 5,201	Philip Mar Riding Bat Tex 188	<b>E</b>	924,300	56% 7 44%	-% F	intes Selec	1	120 1,223 860 774 868 688	4 908
	Metapole VISE Communication	g2910	07m 94	970.21	999.40	22/11	61428 15/	, '	Open Intere	es, Sgures 1	or previous	clay.						Phillips Pe Chevros	1	875,900	28% 85%	-1%	inchesquel New Highs New Lows		666 686 33 27 19 33	7 17
	"Sat Nov 27; Tajwan t and Minlog - 500; Austr DAX - all 1,000; JSE G Toronso, (c) Closed. (d)	Weighted in Traded lok! - 255 Unevellet	Price 416 , 861.20, 17: JSE 2 de. \$ Su	3,99; . Ko HEX Gen Is industr bject to c	May Comp May Gen May 254 Michael 1962	Ex 803.5 CAC40, 3: NYSE doubtion.	i: . Bose vidu Euro Top-100 Ali Common -	es of all in 1860 Ov 50 and	dices are 10 erait; Toron Standard ar	00 except: to Comp.N nd Poor's -	Austrolit Al Intoin & Mir 10, §§ M	i (Iroliner) norgia inc lorgrani, (	t to C	Correction. The DJ Incl. I Is; whereas Ing the day.	inday st she sen	moretical d usi day's hi	my's higha gha and k	and lows ( sed (supplies	and the s of by Tel	versom of	the biobs	ed next les	athet Cornel	reacthest.	ation. during the d t the index h	ay by each
į.				( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )		4								n	1		F						· ·	:	· ·	

24's Annot Per F
24's Annot Per F
24's Annot Per F
24's Annot Per S
25's An Ne Can
25's Antone S
25's Antone Can
35's Antone Can
35's Antone Can
18's Annote Can
26's Annote Can
28's Annote Can
28's Annote Can
28's Annote
28's Annote
28's Annote
28's Annote
28's Annote
18's Anno - B -17% 12 SCC 18% 3 % SCC 10% 3 March 2 Same Ford 18% 19% 2 Same Ford 19% 19% 19% 2 Same Ford 19% 19% 19% 19% 2 Same Ford 19% 19%

是 经存在的证 好 好好的 人名 在時 人名英格兰人名

Samsung Notebook PC

30186SX/25 MHz Removable HDD later Key Mouse

SAMSUNG

ELECTROMICS

The Low Start St. 25. 5 10th High Low Start St. 2015 10th Claim 10th 655 bills 10 - C -

3% 2% EIK Nadily 28% 17% Equitate 2% 1% Equitate 44% 35 Equitation 13 7% Education 30% 10% Empl 14% 5% Except Fd 16 77% Equitation 69 57% Except - F -

14-2 / 14 Hassel Has 40-2 / 27 Hassel | 28-2 28-4 Hassel | 10-1 14-5 10-1 Housel | 15-5 18-6 Housen | 15-5 18-6 Housen | 16-5 1 4444 44 

PRICES : 1 THE PRICES 

| ST\$ 185 | Miles Blasses | 1.12 | 2.11 | 17 | 2.35% | 2.5% | 2.5% | 2.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5% | 1.5



water and the same

1.2 - 1 1 198 11 2

- N

4 pm close November 29

- R -

- S -

| Empirisor | 1.00 | 1714 | 2.00 | 2.00 | 1714 | 2.00 | 2.00 | 1714 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.

ACharleys
Cutal Com
Offshreil,g
Opinion
Offshreil,g
Opinion
Offshreil,g
Opinion
Offshreil,g
Opinion
Offshreil
Opinion

Paccas
Pacchaniop
PacTel
Pacplicit
Pacplicit
Pacplicit
Paychex
Payco Am
Pegrace
Penn 1 try
Pennsylv
Pe

+2½ -½ -1

- 0 -

**COMPOSITE PRICES** 

4 nm clase Navember 2

Hashro Chifeath Chife

48 23 8½ 8½ 8½
475 277 4½ 4½ 4½
48 41 1951 45 44½ 45½
25 555 26½ 25½ 25½
5 7671 25½ 35½ 25½
6 11 102 11 10 10½
11 102 11 10 10½
11 102 11 10 10½
11 103 15 35½ 35½
6 11 102 11 10 10½
11 18 49 1937 45½ 35½ 35½
13 6¾ 36½ 36½ 35½
13 6¾ 36½ 36 36½
13 6¾ 36½ 36 36½
13 6¾ 36½ 36 36½
13 6¾ 36½ 36 36½
12 20 10½ 15 36½ 36½
12 20 10½ 15 36½
13 55 5½ 5½
13 5½
13 6½ 36½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½
13 6½

- J -22 1241 185<sub>2</sub> 161<sub>2</sub> 181<sub>3</sub> 1 0.26 28 15 114; 11 114; 0.10 26 545 624; 4 214; 234; 4 275 104 22<sup>1</sup>2 22 22 11 718 161<sub>3</sub> 151<sub>2</sub> 151<sub>2</sub>

IFR Sys
ICF for
ICF for
ICF Commonly
IcF Com

J&J Stack Jason Inc JLG Ind Johnson W

+1 -1g +1g -1g

GET YOUR FT DELIVERED TO YOUR HOME OR OFFICE IN GERMANY.

Low Close Glag

175, 155, +1

55, 55, -1

64, 45, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, 15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, -1

15, Country of 古代古母 古代 古古古古日十七十 古代诗代 17 1344 17% 17% 17% 175 0 123 1 3 1 13 18 20 20 20 16 7 10% 1012 1012 8 339 46 4 37 33

AMEX COMPOSITE PRICES

A subscription hand delivery is available in any one of 112 cities throughout Germany. We will deliver your daily copy of the FT to your home or to your office at no extra charge to you. If you would like more information about subscribing please call Karl Capp for further details on Frankfurt Tel; 0130 5351, Fax: 069 5964481.

To - 19115 2015

## **Bond** market gives support to US stocks

#### **Wall Street**

Falling oil prices, rising bonds and news of strong home sales set the stage for an upbeat opening to the week on US stock markets yesterday, writes Patrick Harverson in New

At 1pm, the Dow Jones industrial Average was up 11.45 at 3,695.40. The more broadly based Standard & Poor's 500 was 1.33 higher at 464.39, While the Amex composite was up 2.37 at 461.10, and the Nasdaq composite down 0.20 at 754.67. Trading volume on the NYSE was 155m shares

by 1pm. Conditions were set for a firm start to trading yesterday when bond prices posted early gains. The bond market has rallied strongly over the past three days, primarily because of a sharp fall in oil prices (which was triggered by the failure of oil exporting countries to agree on production cuts), while declines in the value of other key commodities have helped ease fixed-income invesions' inflation fears.

The rise in boud prices, meauwhile, bas lowered long-term interest rates to below 6.2 per cent. Although analysts have warned that the decline in rates may not last, it has cheered stock markets, which had been unnerved by the rapid rise in interest rates

during most of November. There was also some good news for equity investors ou the economy yesterday. Sales of existing homes rose 3.6 per cent in October, a bigger-thanexpected increase and the latest in a long line of statistics that suggest the pace of eco-nomic growth is quickening.

Among individual stocks, oil companies were again the target of heavy selling because of the drop in oil prices, although the losses were not as severe as on Friday, Texaco fell \$1 to \$62%, Chevron eased \$% to \$85%, Exxon dropped \$% to

\$61%, Mobil gave up \$% at \$74% and British Petroleum [ell \$% to \$58.

A positive article about Procter & Gamble in the weekly business newspaper Barron's provided the stock with a big lift, as it rose \$2% to \$58%. Selected retailers were

firmer in the expectation of strong Christmas sales. Gap Stores added \$1% at \$40%, JC Penney rose \$1 to \$54, but Sears, Roebuck, after posting early gains, slipped back to show a decline of \$% at \$55%. JP Morgan rose \$1% to \$71 and Bankers Trust added \$% at

by broking house PaineWeb-Computer stocks which put in a strong performance last week ran into profit-taking. Motorola fell. \$2% to \$94, Texas

and IBM gave up \$11/4 at \$54%.

\$76% after the stock of the two

banking groups was upgraded

TORONTO fell back further at midday on sharp weakness in precious metals and energy shares. The TSE 300 index lost 42 points or 1 per cent before pulling back to trade 37.45 points down at 4,183,16 at midaesslou. Turnover was C\$273.7m.

The oil and gas sector lost 119.84, or 2.7 per cent, to 4.318.44 after oil prices dived. Soft gold prices hit precious metals, sending the index down 246.03, or 2.4 per cent to 9,869.14. Magna International class A stock gained C\$% to C\$58 after it agreed to buy a 74 per cent staka in Austria's Por-

#### **SOUTH AFRICA**

Gold shares retreated further, the index sliding 27 to 1,864. The industrial index lost 20 to 4.840 and the overall index 21 to 4,183. De Beers fell 75 cents to R84, Richemont 65 cents to R37.35 and Kloof R1 to R42, but SAB rose R1 to R72.25.

## Bourses find few incentives in thin day's trading

Senior bourses in continental Europe showed little impetus yesterday, with thin trading seen in most centres, writes Our Markets Staff.

FRANKFURT moved in a narrow range throughout the session, before closing just 3.81 points lower in the DAX index at 2.043.43.

Opinion suggests that the Bundasbank will make no move to cut interest rates at this Thursday's regular meet-ing, therefore giving littla incentive to the market. Thyssen, the steel group,

figures this week lost DM1.50 to DM232.50 in anticipation. Varta shed more than 6 per cent on news that the battery manufacturer was to cut lis dividend. The shares lost

which is expected to rele

DM20.70 to DM315.00. PARIS weakaned very slightly with the CAC-40 index losing 1.32 to 2,119.30, having moved in a range between 2.125 and 2.105.

sure after it was reported that one US broker was placing the European oil sector under review: Elf Aquitaina lost FFr8.10 to FFr416.70 and Total FFr11.00 to FFr303.20.

trend, rising FFr21 top FFr3.751 on news that it was extending its interests in the publishing sector. MILAN edged higher in thin volume, the Comit index adding 2.37 to 543.89.

Ferruzzi Finanziaria, however put in a strong showing. gaining L1,374 or 4.6 per cent to L31,253 after a weekend report that foreign creditor banks were coming round to approval of a rescue plan for

the group.

Its agro-industrial and chemicals subsidiary Montedison was up L13.30 to L761.60. Montedison savings shares gained L15.30 to L556.50 and Ferruzzi savings shares added L29.60 to L476.40. Shareholders

Open 10.90 11.00 12.00 12.00 14.00 15.00 Com FT-SE Burginusk 100 1942.50 1345.34 1342.81 1342.81 1342.81 1342.82 1342.82 1342.82 1344.65 1344.75 FT-SE Eurolmusk 200 1415.90 1417.52 1415.72 1415.78 1415.91 1415.90 3417.47 1417.23 Nos. 28 Nov. 25 Nov. 24 Nov. 23 Nov. 22 LVMH went against the

> meetings scheduled for later this week have the rescue plan on their agendas. SFri5 to SFri84 on buying by a small bank. Foreign selling left on their agendas. Among heavily traded blue chips Fiat was down L19 to L3,842, while Sip overcame an early deficit to finish L21 higher at L3,096 and Stet rose

L22 to L3,578. ZURICH continued its consolidation although the strength of the Swiss franc, on the back of last week's good inflation figures, continued to support expectations of lower interest rates. The SMI index eased 8.7 to 2,738.2. Ciba, topping the actives list.

att stake. AMSTERDAM found little

Nestlé SFr13 lower at SFr1,169. CS Holding bearers added SFr10 to SFr8,550 and Elektrowatt rose SFrIB to SFr3,600 still benefiting from last-week's rumours that CS Holding may sell its 47 per cent

Ems-Chemie bearers shed SFr20 to SFr8,980: Pharma Vision, SFr56 higher at SFr8,980, said on Friday it had sold its entire holding.

excitement and the CBS Ten-

STOCKHOLM saw further weakness in Volvo B shares, down SKr16 at SKr391, as-

dency index shipped just 0.7 to 136.1. Royal Dutch remained in

investors began to accept that the merger with Renault of France would go shead. The Affarsvariden general index fell 20.80 to 1,291.80. Bricsson B's fell a further SKr5 to SKr338.

OSLO was unsettled by weakness in the oil price as the All share index lost 11.25 or 1.9 per cent to 567.6. Turnover was Norsk Hydro lost NKr2.50 to

NKr210 and Saga Petrolaum NKr3.5 to NKr72.5. BRUSSELS edged lower in DKr3.76m. rupted for the last half-hour

Bel-20 index fell 4.88 to 1,387.29 went in the opposite direction, of optimism there would be up F1.70 to F141.60 helped by interest rate cuts soon the prospect of lower costs for MADRID was weighed down fuel. although sentiment was said to

weakness in futures and profit taking among electrical stocks. The General index shed 2.37 to 295.54. Bank Santander shed Ptal90 or 2.9 per cent to Pta6,220 and Banco Central Hispano shed Pta85 to Pta3,220. ISTANBUL broke another

record following the government's reaffirmation of its pri-vatisation programme. The composite index added 1,000.00 or nearly 6 per cent to 18,426.1. ATHENS gained ground on optimistic expectations over today's budget. The general index rose 2.4 per cent to 862.13

in turnover estimated at

Written and edited by John Pitt

## Nikkei's fall of 3.9% weakens the region's markets

#### Tokyo

The Nikkei average fell 3.9 per cent, particularly on selling of bank stocks, and the index closed at a year's low of 16,078.71, writes Emiko Terazono in Tokyo.

After opening at the day's high of 16,688.57, the Nikkei declined on a plunge in futures and heavy arbitrage selling. The index crashed below the 16,000 level to 15,671.97 in the early afternoon, but later recovered some of its loss on short-covering and bargain hunting.
The Topix index of all first

section stocks dropped 74.06, or 5.2 per cent, to 1,350.48, breaching the 1,400 level for the first tima since March 24, but in Loudon the ISE/Nikkei 50 index was only 0.33 off at 1,091.26. Mr Morihiro Hosokawa, the

prime minister, ruled out any possibility of emergency measures to help share prices,

stock market carefully, no government support was being

Traders said there were no firm technical support levels now that 17,000 on the Nikkel and 1,430 on the Topix had Volume was 370m shares.

against 339m. Declines overwhelmed rises by 1,025 to 45, with 43 issues unchanged. Mounting fears about the country's financial system hit hank shares. Some banks remained offered only during the morning session. The fall prompted unwinding of posi-tions in the Topix Index, which is heavily weighted in bank shares. Tha Nikkei banking index lost 7.9 per cent from last Friday, with Industrial Bank of Japan down Y330 to Y2,660 and Dai-Ichi Kangyo Bank Y250 weaker at Y1,770.

Trust banks lost ground with Mitsubishi Trust and Banking shedding Y130 to Y1,050 and Yasuda Trust and Banking Y65 to Y675.

also weak, with Orix down Y230 to Y3,130 and Nippon Housing Loan off Y5 at Y220. Nomura Securities dipped Y110 to Y1,660 and Nikko Securities

East Japan Railway tumbled Y24,000 to a new low of Y400,000. Nippon Telegraph and Telephone fell Y49,000 to

Department stores were among the few gainers of the

day, with Isetan advancing Y80 to Y1,830. in Osaka, the OSE average dropped 805.22 to 17,871.16 in volume of 22.7m shares.

The region, with the exception of Taiwan, fell in line with losses in Tokyo and Hong Kong Bombay was closed.

HONG KONG finished sharply lower following the collapse of the latest round of

Sino-British talks, but late bargain hunting brought the key index off its low to end above the 9,000 level. The Hang Seng index lost a net 261.65, or 2.8 per cent. at 9,012.77. Turnover amounted.

to HK\$5.6bn.
The index had dropped to 8,870.59 early in the day on fears of a complete breakdown of talks on Hong Kong's political reform plans.

HSBC was the most active issue, falling HK\$2 to HK\$84.50. Cheung Kong and Hutchison retreated HK\$1.25 apiece to HK\$35 and HK\$31 respectively.

while Jardine Matheson lost HK\$3 at HK\$65. -TAIWAN soared 5.3 per cent in heavy turnover in response

ty's victory in Saturday's local

government elections. The weighted index ended 220.53 up at 4,384.51, its highest close since early June. Turn-over came to T\$46.6bm. The electronics sector led

gains, with Acer and United Microelectronics ending the day's fimit up. SEOUL declined marginally for its fourth consecutive ses-

sion, with the composite index losing 0.97 at 804.54 in turnover of Wen618.8bn. Some investors showed

renewed interest in steel, vehicles and electric and electronics shares on the back of expectations of a better than expected economic recovery. MANILA fell in reaction to events elsewhere. The composite index slipped 42.95 to 2,332.29 in turnover of 1.1bn

pesos. SINGAPORE resisted sharp falls seen alsewhere, with the

Straits Times Industrial index closing off 9.06 at 2,098.92. Volume was a thin 196.7m shares. AUSTRALIA weakened in line with the region, the All. Ordinaries index dropping 32.8. or 1.6 per cent, to 2,010.3. Turnover was A\$364.7m.
BHP ended 36 cents cheaper at A\$16.50 and News Corp was

at A\$16.50 and News Corp was
34 cents, or nearly 3.5 per cent,
down at A\$565.
Annon office leading stocks at a core of the cents to A\$463.
Annor 10 cours to A\$9.35, Coles
Myer 2 cents to A\$5.07 and
Boral 5 cents to A\$4.02.
CRA receded 14 cents to
A\$16.82, MIM sheet 10 cents to
A\$2.26, Western Mining lost 8
cents to A\$5.98 and North Broken Hill eased a cent to A\$1.42.
BANGKOK lost ground in finn trading but closely off the thin trading but closed off the

day's lows.
The SET index relinquished 14.06, or 1 per cent, to 1295.51 in turnover of Bt7.6hn. Prasit Development, which made its debut yesterday, cuptured 20 per cent of turnover and closed at Bt129, compared with the offer price of Bt70.

## Scandinavia suffers sharp reverses

## By Michael Morgan

week, with Japan, jittery over the corporate out-look, leading much of the pack lower. This was reflected in a 2.26 per cent fall in the FT-Actuaries World index.

Most of Europe was ou a downward track, with the sharpest fails seen in Scandinavian markets.

UBS comments that the steep fall in Ericssou's share price serves as a salutary lesson to all investing in Scandin-avia. Foreign holdings have riseu sbarply lu recent months, with foreign investors pumping more than SKr3bn a month into Sweden. "Domestic funds are not able to replace that sort of eash flow. So when foreign investors turn away from a market, stocks can fall sharply," says UBS. "There is. therefore, a real danger to Scandinavian markets If US bond yields rise in the near term, before earnings justify

current recovery hopes. Norway was a casualty of the collapse in oil prices as Opec failed to agree on a reduction in production quotas, although the move is seen

try's oil shipping sector. Oslo was also dragged lower quity markets were drop in Hafslund-Nycomed group forecast that current year profits would be held to 1992 levels. Stockbolm

affected by weakness in Bricsson, in continued response to the previous week's thirdquarter results, a reaction that Barclays de Zoete Wedd feels was exaggerated.

BZW contends that there had been encouraging stability m earnings estimates in recent months, while coutinned undervaluation of the krona within Europe, as well es further dollar strength in 1994 were a recipe for further posttive earnings recovery surprises in 1994-95. Volvo also bad a volatile

week, with many participants marking the sbares lower ahead of a decision on the Renault merger at next Tuesday'a egm. But in spite of the reservations of many investors to the link-up, analysts believe the decision of the 4th AP fund, the second largest shareholder, to vote in favour is likely in carry the day. Kleinwort Benson comments that the company presented proba-

	%	thouge in lea	al currency t		% charge starting f	% change in US 3 †
	1 Week	ek 4 Weeks 1 Year Start of			Start of 1991	Start of 1963
Austria	-2.34	-3.61	+31.80	+28.87	+24.23	+21.43
Belgium	-0.21	+1.12	+25.00	+25.45	+17.71	+15.06
Denmark	-2.14	-2.61	+35.37	+34.37	+27.18	+24.32
Finlend	-3.04	-4.36	+90.89	+90.42	+74.43	+70.50
France	-0.90	-2.18	+25.53	+18.89	+13.65	+11.09
Germany	-1.46	-1.03	+33.88	+32.29	+28.07	+25.18
Ireland	-0.58	-0.65	+50.52	+47.02	+30.34	+27.40
taly	-0.58	-8.40	+30.90	+27.34	+13.46	+10.90
Netherlands	-0.35	-1.46	+34.60	+31.60	+27.47	+24.61
Norway	4.92	-7.13	+38.08	+31.58	+25.27	+22.45
Spain	-2.64	-4.35	+37.70	+38.29	+15.92	+13.32
Sweden	-3.70	-8.68	+38.64	+29.33	411.36	+8.86
Switzerland	+0.14	+1.40	+48.09	+33.51	+33.65	+30.64
UK	+0.11	-1.93	+15.84	+10.81	+10.81	+8.32
EUROPE	-0.63	-2.10	+26.46	+21.47	+17.52	+14.86
Australia	-2.01	-3.22	+36.77	+27.17	+25,39	+22.58
Hong Kong	+0.52	+1.60	+57,36	+70.70	+74.94	+71.01
Japan	-7.44	-12.25	+10.12	+9.77	+29.04	+26.14
Malaysia	-0.90	-0.88	+73.92	+76.72	+84.95	+80.80
New Zealand	-1.90	-5.66	+39.58	+37.28	+49.93	+46.07
Singapore	-0.54	-3.44	+52.18	+41.48	+48.34	+45.02
Canada	-0.54	-0.11	+21.54	+16.82	+17.27	+14.63
USA	+0.18	-1.09	+7.48	+5.88	+8.32	+5.88
Mexico	+2.91	+12.54	+30.84	+24.58	+27.68	+24.8
South Africa	-1.17	+8.00	+42.59	+35.67	+52.28	+48.85
WORLD INDEX	-2.28	-4.43	+14.89	+12.84	+18.46	+15.80

market, highlighting the scale of operating earnings recova dollar-exposed turnround story would be minimised if

## A powerful presence in Asian finance

In four years Peregrine has become a highly respected financial advisor and a significant investor in its own right. Our keen eye for opportunities in Asia's capital markets and our ability to strike quickly and decisively is renowned.

**Financial Services:** Corporate Phance, Stock Brokin

HONG KONG • CHINA • SINGAPORE • KOREA • PHILIPPINES • THAILAND • INDONESIA • MALAYSIA

VIETNAM • MYANMAR • AUSTRALIA • LONDON • NEW YORK

locally complied by The Final MATIONAL AND REGIONAL MARKETS -	ncael Tir	nes Ltd.,				NatWest		Lid. in		with the						
Rounes in parentheses	us	Day's	Pound		- AD	Local	Local	Gross	US	Pound	TO VICINIA		Local			Year
	Dollar	Change	Sterling	Yen	DM	Currency		Div.		Starting	Yen	DM	Currency	1893	1993	800
	Index	76	Index	Index	Index	Index	on day	Yield	Index	lacien;	Index	Index	Index	High	Low	(approx
Lustraba (69)	153.37	-0.5	153.63	105.33	136,47	153.88	+0.0	3.34	154.13	153.52	105.51	138.91	153.93	162.83	117.39	118.7
Austra (17)	170.20	-0.5	170.50	116.89	151.45	151.28	-0.2	1.05	171.09	170.41	117.13	151.97	151.88	184,47	131.16	137.€
Selgium (42)	153.29	-0.5	153.56	105.27	136,40	137.04	-0.1	4.20	154,07	153.46	105,47	138,85	137.17	155.76	131.19	134.0
Sanoda (107)	132.56	-0.4	132.80	91.04	117,95	127.57	-0.3	262	133.05	132.52	91.08	118,17	127.99	135.54	111.41	112.5
Generatik (32)	231.38	+0.5	231.79	158 91	205,88	213.44	+0.6	1.08	230.27	229.36	157.64	204.54	212.11	241.06	185.11	189,1
mand (23)	118.70	-0.8	112.91	81.53	105.63	145.50	-0.5	0.72	119,71	119.24	81.96	105.34	146.26	128.99	65.50	70.2
ranca (88)	163.50	+0.2	163.79	112 <i>2</i> 8	145,47	151.64	+0.1	3,06	163.14	162,49	111.66	144.90	151.43	173.05	142.72	142,7
Jacquery (60)	130.25	-0.1	130.48	89.47	115,89	115.89	+0.1	1.82	130.41	129.89	89.29	115.83	115.83	138.13	101.59	104.3
long (65)	378.88	+0.0	379.55	260.21	337.15	375.89	+0.0	5'80	379,04	377.53	259,48	335.69	375.97	394,34	218.82	243.2
(14	172.99	-0.2	173,30	118.61	153,93	173.31	+0.1	327	173,41	172.72	118,71	154,03	173.17	177,29	129.28	131.5
<b>10)</b> (70)	63.85	+0.5	60.96	41.78	54.14	76.89	+0.8	2.15	60.46	60.22	41,39	63,70	76.30	75.83	63,78	56.2
lepen (466)	132,48	-3.6	132.72	90.99	117,90	90.99	-3.3	0.90	137.38	136.83	94.05	122.04	94.05	165.91	100.75	105
Allegia (69)	472.72	+0.3	473.55	324.65	420,62	405,44	+0.5	1.50	471.23	469.36	322.56	418.55	463.15	487.72	251.66	275.0
dedod (19)2	056.86	+24	2060.46	1412 64	1830,20	7001.63	+2.7	0.70	2006.35	2000.37	1374.88	1783.91	8819.12	2055.86	1410.30	1581.1
introduction (26)	188.66	-0.2	188.99	129.57	167.87	165.41	+0.0	3.20	188.97	188.22	129.36	167.86	165.38	197.07	150.39	149.5
lew Zestend (13)	62.65	-0.7	62.76	43 63	55.76	60.83	-0.3	3.87	63.09	82.84	43.19	56.04	61.04	68.38	40.58	43.0
Sormer (23)	168 82	-1.2	168.92	115.81	150.04	170.11	-1.1	1.50	170.72	170.04	116.87	151.64	171,93	185.10	137.71	137.0
30 (mg) (2-1)	200.01	-0.3	309.95	212.50	275.31	228.20	+00	1.40	310.33	309.10	212.45	275.64	228.31	332.65	207.04	202
Ingagore (39)	770 44	-0.5	220.83	151.39	198.14	213.20	+0.3	3.53	221.80	220.92	151.84	197.01	212.58	229.39	144.72	143
outh Africa (50)	100 14	-0.1	132.37	90.75	117,58	139.95	+0.3	4.27	132.31	131,78	90.58	117.52	199.52	145.24	115.23	116
latin (42)	100.14	-0.1	150.54	123.78	150.37	224.18	-0.2	1.56	181.05	180.33	123.94	180.82	224,73			186.
eraden (36)	160.23													208.92	149.76	
betrartend (50)	147.64	+0.6	147.90	101.48 128.21	131 39	137.07	+0.5	1.06	146.71	146.13	100.44	130.34	126.38	146.18	108.91	105.0
Initiad Kingdom (218)	190.10	+0.0	167.02		166,11	187.02	+0.5	3.85	185.77	186.02	127.84	165.88	186.02	193.97	162.00	186.7
ISA (518)	188.56	+0.2	188.91	129.52	187.81	188.58	+0.2	2,74	188.15	187.40	128.81	167.13	188.18	191.56	175.38	175.0
Suppe (751)	156.26	+0.0	156.53	107.32	139.05	151,65	+0.3	3.00	156.21	155.59	100.94	138.76	151.17	162.97	133.92	132.5
terdic (114)	176.11	-0.3	176.41	120.95	156.70	188.54	-0.1	1.32	176.71	176.00	120.97	156.96	188.79	194.54	142.13	149,0
Pacific Busta (7)4)	142.38	-20	142.61	97.77	120,67	101,49	-2.7	1.10	146.80	146.22	100.50	130.40	104,34	168.80	105.89	110.
uno-Pacific (1465)	148.01	-1.7	148.27	101.64	131.69	120.88	-1.4	1,98	150.60	150.00	103.09	133.76	122,83	162.86	117.26	119.
forth America (625)	185.09	+0.2	185.41	127.13	164.72	184.40	+0.2	274	184,71	183.96	120.46	164.10	184.02	167.66	171.51	171.
urpoe Er. UK (533)	136.93	+0.1	137.17	94.06	121.86	130.77	+0.2	2.46	135.83	136.29	93.69	121.57	130.55	143.73	112.51	112
acrisc Ex. Japan (245)	237 06	-02	237.47	162.83	210.95	220.07	+0.0	2.69	237.42	236.48	162.58	210.91	219.96	245.12	152,70	
Varied Ex. US (1651)	149.51	-1.5	149.87	102.76	133, 13	123.76	-1.3	1.99	152.05	151.45	104.10	135.07	125.41	162.89	118.51	120.
Harld Ex. UK (1051)	159.25	-t.0	159.53	109.38	141.72	139.60	-0.9	211	160.85	180.21	110.12	142.89	140.80	168.66	134.22	135
World Ex. So. At. (2109)	161.35	-0.6	161.63	110.82	143.58	143.16	-0.7	2.28	162.52	182.17	111.47	144.63	144.24	170.46	137.28	138.1
Monto Ex. Japan (1700)	178.50	+0.1	178.90	122,67	158.94	175.35	+0.3	2.80	178.38	177.85	122.11	158.45	174.89	181.87	157,47	156.6
		<u>-</u> -	170.00	166.01	130,34	1/2/30	1443	2,00	17020	177,50	(22.11	130.43	174.00	191.67	13/,4/	130,0
he World Index (2169)	161.88	-0.9	161.94	111.03	143.85	143.78	-0.7	2.28	163.13	162.48	111.68	144.91	144.82	170.68	137,32	138.1

